The NATIONAL UNDERWRITER

Life Insurance Edition

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March 9, 1951
55th Year, No. 10

Johnston's Attitude Offers Hope for Easing Group Freeze

Stabilization Chief Regards Insurance As Non-Inflationary

WASHINGTON — Insurance representatives here believe that Eric Johnston, economic stabilization administrator, has adopted an attitude which virtually assures granting of unlimited pensions, group insurance and other fringe benefits to labor. They base this optimism on a letter which Mr. Johnston wrote to Cyrus Ching of the wage board, requesting that the formula with respect to pension and insurance benefits be liberalized in connection with wage stabilization regulation No. 6.

Mr. Johnston wrote: "Under regulation No. 6, health, welfare, and pension plans, as well as other fringe benefits which have been agreed to in the past, are not counted as part of the allowable 10% increase, but fringe benefits agreed upon in the future must be offset against the 10%. Health, welfare and pension benefits in general do not constitute payments which in fact compensate for increases in the cost of living. Nor do they add to the purchasing power of workers and thus to inflationary pressures.

Called Form of Saving

"These benefits are a form of saving and to that degree are non-inflationary. Furthermore, it is difficult to evaluate the cost of these plans accurately in terms of dollars and cents. Such an attempt would only result in confusion.

"For this reason, I request the board to prepare regulations that, within approved limits, would exclude health, welfare and pension plans from the adjustments permissible under the 10% allowance. The board should then set up standards under which it would consider the approval of such plans as may be submitted to it.

"These are other major fringe benefits for which patterns have already been generally accepted in industry. I request the board to study these fringe benefits and recommend to me how they can best be dealt with in the light of overall stabilization objectives."

Thus Mr. Johnston seems to have adopted the same attitude that the insurance people have expressed in regard to the general non-inflationary character of pensions and group insurance. It is expected that in response to his request, the wage board will establish a policy of permitting pensions and group insurance to be bargained for and written without any specific limitations, except that all such plans would have to be submitted to the board for measurement against the standard which it has still to establish.

Decatur Is Trophy Winner

The Decatur, Ga., district of Life of Georgia won the J. N. McEachern Trophy for outstanding production in 1950. The trophy is a roving loving cup. Last year it was held by the Charlottesville, Va., district. M. L. Frey is Decatur district manager. It will be formally presented by President R. Howard Dobbs, Jr., March 16.

Full Text of Section 213 Revision Proposal Given

NEW YORK — Because of the widespread interest in the revision of the New York agency expense limitation law, THE NATIONAL UNDERWRITER is printing below the full text of the bill introduced in the New York legislature at the request of the National Assn. of Life Underwriters that would substitute a new article, IX-F, for present section 213. The new article would contain six sections.

N.A.L.U., which has been working closely with the inter-company committee headed by President James A McLain of Guardian Life of New York and with the New York department, wanted the bill to include provision for security benefits for agents outside the limits on agents' compensation and this is in the bill. It is understood that this is the only difference between the companies' version submitted to the New York department and the bill as introduced.

Although the bill has been introduced, Mr. McLain said his committee felt that it should make no statement about the nature or scope of its recommendations until such time as they have been discussed with the New York department and presented to the joint legislative committee on insurance rates and regulations, for whose consideration they were prepared.

Section 300—Application of article:

This article shall apply to life insurance and annuities as defined in section 46 excluding (1) industrial life insurance, (2) group life insurance, (3) group annuities and (4) monthly debit life insurance issued after Dec. 31, 1938, in amounts of less than $1,000, except that section 302 shall apply to such monthly debit life insurance.

Section 301 — Definitions and special provisions:

1. Wherever used in this article the following terms shall have the following meanings, unless the context otherwise requires:

(a) "Agent" shall mean one who is authorized to act as an insurance agent or as an insurance broker.

(b) "Agency manager" shall mean an agent who supervises other agents or has the right to appoint them, whether or not such appointments are subject to the approval of the company.

(c) "Agency office" shall mean an office other than a home office, the principal activities of which are the sale of insurance, service to policyholders, or collection of premiums, excluding regional home offices and foreign offices with respect to functions usually performed in the home office.

(d) "Commuted value" shall mean the value at the commencement of an insurance policy or annuity contract, unless some other time is indicated, of a present or future payment, or a series of such payments.

(e) "Company" shall mean a domestic life insurance company, a foreign life insurance company doing other than a reinsurance business in this state, or the United States branch of an alien life insurance company doing other than a reinsurance business in this state.

Monthly Debit Defined

(f) "Monthly debit insurance" shall mean life insurance with monthly premiums normally collected at the home of the insured by an agent who is compensated for such service on the plan known as the industrial debit plan.

(g) "Premium" shall mean any consideration charged for an insurance policy.

(h) "Security benefits," whether provided by insurance or otherwise, shall mean pensions, death benefits, accident and health benefits and similar benefits. The "cost" of such benefits in any calendar year shall mean: (1) in the case of non-contractual benefits, the actual payments; (2) in the case of contractual benefits, the current annual cost to the company, excluding interest, if any, of providing for benefits based on service for the current year.

(i) "Stipulated payment" shall mean any consideration charged for an annuity contract.

2. For the purposes of this article:

(a) reinsurance assumed shall be excluded and reinsurance ceded shall not be deducted in computing expenses and expense limits;

(b) whole life or endowment insurance preceded by term insurance converted as of attained age shall be considered as new insurance;

(c) increase in premiums or stipulated payments after the first year of the policy or annuity contract shall be considered as first year premiums or stipulated payments and commissions thereon as first year commissions;

(d) compensation or security benefits for agents shall mean compensation or security benefits based upon service as an agent, and compensation or security benefits for agency managers shall mean compensation or security benefits based upon service as an agency manager as distinguished from compensation or security benefits, if any, paid to or provided for the same individual based upon his service as an agent;

(e) wherever an expense is prohibited to a company, such prohibition shall include any agreement to pay or incur such expense and shall apply not only to the company but to all persons acting on its behalf or under any agreement with it or with its permission;

(f) wherever the amount of insurance is referred to, it shall not include the amount of any benefits payable only in the event of the insured's disablement or only in the event of the insured's death by accident or accidental means. The amount of insurance for a policy issued on the life of a child under age 15 shall be taken as the amount provided by the policy at age 15 or at expiry, if earlier. The amount of new life insurance for any other policy, or rider attached thereto, shall be the initial amount, except that for a policy or rider providing insurance varying more than once during its duration, it shall be as determined by the company with the approval of the superintendent.

Can't Exceed Agreed Figure

3. No company shall pay for procuring an application for a policy or annuity contract, for collecting any premium or stipulated payment thereon or for any other service performed in connection therewith any compensation greater than that which has been determined by agreement made in advance of the payment of the premium or stipulated payment upon which such compensation is dependent.

4. To the extent that interest rates, policy discontinuance rates and agent discontinuance rates are required for the computation of a commuted value, the computations of all companies shall be made on the basis of uniform rates promulgated by the superintendent from time to time. Interest at 3% compounded annually, Linton "A" policy discontinuance rates and McConney-Guest modified agent discontinuance rates shall be used until other bases are promulgated by the superintendent. The promulgation of revised rates shall not require changes in then existing contracts with agents or agency managers.

5. No company shall issue any policy or annuity contract which shall not appear to be self-supporting on reasonable assumptions as to interest, mortality and expense.

Section 302 — Limitation on commissions, other compensation and security benefits to agents:

1. This section shall apply to commissions, other compensation and security benefits for agents based on life insurance policies and annuity contracts issued after Jan. 1, 1952, except that subsections three, four, five, six and seven shall not apply to commissions, other compensation or security benefits provided for in any contract for service as an agent entered into before Jan. 1, 1952, or before the company is first authorized to issue policies or annuity contracts in this state after Jan. 1, 1952; provided, however, that rates of commissions, other compensation or security benefits for agents may not in any event, after the company becomes subject to this article, be increased above the limits herein prescribed.

2. (a) Before a company shall adopt any new or revised scale of commissions or other plan of compensation or of security benefits it shall furnish to the superintendent evidence, on the basis of a fair sample of the policies and annuity contracts being issued by it, of the effect thereof. Upon determination by him the adoption of such scale or plan will not result in the company's exceeding the limitations prescribed by this section he shall approve such scale or plan.

(b) Whenever in the opinion of the superintendent the sample of the policies and annuity contracts used as the basis for such evidence no longer fairly repre-

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Companies React Favorably to New U. S. Bond Issue

Anti-Inflationary Move but Can't Commit Selves Until Terms Are Announced

By DONALD J. REAP

Life company reaction to the Treasury announcement of a new issue of non-marketable bonds at 2¾% is one of general approval of the move as a sound anti-inflationary step which will contribute to a long needed raise in the interest structure.

At the same time, officials said they need more information on the issue's maturity date, terms, and conversion penalties before suggesting the probable government bond or other portfolio changes they will make when the new securities become available. The data will not be revealed until March 19. The

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Hailing the accord reached by the Treasury and the federal reserve system as a "most heartening and important development in the fight against inflation," a committee of the life insurance business threw its support behind the exchange offering of 2¾% bonds for the 2½% issues of December and June 1967-72. This action followed the Treasury's announcement of the bond exchange terms.

The announcement was made by Carrol M. Shanks, president of Prudential, speaking as chairman of the joint committee on inflation control of Life Insurance Asn. of America and American Life Convention.

The statement urged all life companies to support the exchange offering and expressed the hope that the new treasury program would be the forerunner of further action by the Treasury and federal reserve authorities to stem inflation.

Last week the subcommittee of the joint inflation committee consisting of Mr. Shanks, George L. Harrison, chairman of New York Life, and Frazar B. Wilde, president of Connecticut General Life, met with top officials of the Treasury and federal reserve at about the same time that word came from Washington that the higher interest bonds would be made available. Later, word came from Washington as to details of the offer.

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new issue is being offered as a replacement for 2½% bonds due 1967-72 of which $20 billion are held by life companies, savings banks, pension funds, and other institutions.

The higher yield was offered to encourage owners of these long-term bonds to convert to the new nominally non-marketable issue, thereby taking that quantity of money out of circulation and concomitantly fighting inflation. Many holders of long-term securities have been cashing them in at federal reserve banks at an increasing rate of flow since the Korean war started, and, as the banks are able to lend against them in almost a five to one ratio, this has abetted inflation.

Meanwhile the funds obtained by bond conversions have been going into other loans. Whether all of those loans

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575 M.D.R.T. Members Accredited Through Feb. 28

Two hundred ninety-one more names of 1951 Million Dollar Round Table members have been announced by Chairman John O. Todd, Northwestern Mutual, Chicago, bringing the total accredited through Feb. 28 to 575. A preliminary list of 284 was printed in THE NATIONAL UNDERWRITER for Feb. 23.

The deadline for applications is March 15. Mr. Todd pointed out that nearly 150 former life members have not yet forwarded their qualifying records to the Chicago headquarters for processing. He believes that certain life members may be under the impression that further filing is not required, but he stated that in accordance with the by-laws, if life members fail to renew their membership, the names must be dropped from membership. If life members are dropped for as many as three consecutive years, they lose their life membership and must start over again.

Of those listed below, 461 have submitted proof of doing over $1 million for 1950, the balance being life members.

Mr. Todd commented that if life members submitted their papers as anticipated, prior to the deadline date, total membership for the year should exceed the previous all-time high of 821 members recorded in 1948.

First Time Qualifiers

A. R. Aguiar, Prudential, Honolulu; M. E. Asfahl, Equitable of Iowa, Oklahoma City; J. R. Ashton, New York Life, Denver, Colo.; Donald Beaton, Canada Life, Toronto; E. E. Biscamp, Franklin Life, Beaumont, Tex.; B. S. Blanton, Jr., Phoenix Mutual, Charlotte, N. C.; F. W. Bowen, Northwestern Mutual, Charleston, W. Va.; R. B. Brown, College Life, Norman, Okla.; Cecil de Caires, North American Life of Canada, Georgetown, British Guiana; C. P. Carey, Northwestern Mutual Life, Los Angeles; James Carver, Jr., Great-West, Calgary, Canada; N. C. Croonquist, National of Vt., Minneapolis; C. W. Davis, Southwestern, McAllen, Tex.; Tracy E. Davis, Mass. Mutual, Columbus, Ga.; J. N. Desmon, John Hancock, Buffalo; A. C. Diggs, Conn. General, Baltimore; C. S. Douglas, National of Vt., Binghamton, N. Y.; R. W. Ebling, Jr., Penn Mutual, New York City; W. T. Fleming, Phoenix Mutual, Philadelphia; B. H. France, New York Life, Spartanburg, S. C.; C. H. Fuller, Northwestern Mutual, Milwaukee; J. D. Garfunkel, Mutual Benefit Life, New York City; R. K. Garrett, General American Life, West Lafayette, Ind.; A. S. Howes, Conn. Mutual, Albany, N. Y.; R. W. Huether, Franklin Life, St. Louis; R. T. Hunsaker, Aetna, St. Louis; G. L. Hutchins, American National, Lawton, Okla.; E. Y. H. Leong, United States Life, Honolulu; H. R. McCoy, Penn Mutual Life, Philadelphia; J. D. A. McDonald, Excelsior Life, Toronto; J. S. McDowell, Aetna Life, Lexington, Ky.; J. S. Maryman, Aetna Life, Texarkana, Ark.; K. K. Parlin, Penn Mutual Life, Battle Creek; H. S. Peril, New York Life, Harrisburg, Pa.; W. F. Poole, III, Mutual Life, New York City; R. E. Rasmussen, New York Life, Phoenix; A. L. Rogero, Prudential, Clearwater, Fla.; S. M. Scrudato, Metropolitan, Irvington, N. J.; J. L. Shallow, New York Life, Philadelphia; J. B. Shortly, Excelsior Life, Toronto; H. N. Sloane, Continental Assurance, New York City; Ernest Taylor, United Fidelity Life, Snyder, Tex.; H. J. Tibbits, Mutual Benefit Life, Spokane; C. O. Wolfes, Travelers, Charleston; Woodie Wood, Southland Life, Dallas; W. W. Yost, New York Life, Salina, Kan.

Life and Qualifying, First Time

K. R. Bentley, Northwestern Mutual Life, Danville, Ill.; A. H. Bickerstaff, London Life, Toronto; L. A. Brown, Excelsior Life, Winnipeg; H. M. Covert, Jr., Mutual Benefit Life, Allentown, Pa.; S. R. Espedal, United Services Life, Honolulu; D. P. Faxon, Aetna Life, Camden, N. J.; R. C. Fyke, Occidental Life, Los Angeles; W. E. Gehman, New England Mutual Life, Philadelphia; A. J. Geisenberger, Connecticut Mutual Life, Dallas; P. S. Gesswein, New England Mutual Life, New York City; B. W. Gilmore, Northwestern Mutual Life, Grand Rapids; E. L. Jones, Massachusetts Mutual, Detroit; W. W. Jones, Mutual Life of New York, Pomona, Cal.; H. G. Larson, New York Life, San Carlos, Cal.; B. C. Lillis, Jr., Lincoln National, Vallejo, Cal.; S. T. Quinn, T. Eaton Life, Winnipeg; S. H. Rumph, Northwestern Mutual Life, Atlanta; C. J. Underell, Occidental Life, London, Canada; H. V. Winfree, Jr., Lincoln National Life, Quantico, Va.; A. J. Wohlreich, Crown Life, Newark, N. J.; B. H. Zais, Connecticut Mutual Life, Burlington, Vt.

C. Ashford, Pacific Mutual Life, McFarland, Cal.; F. B. Barnes, American National, Lawton, Okla.; W. G. Booker, Crown Life, Maracaibo, South America; G. H. Bowman, New York Life, San Francisco; I. H. Brewster, Phoenix Mutual Life, Pittsburgh; J. M. Brown, London Life, Montreal; H. W. DuBois, New England Mutual Life, Dallas; Dewey Edson, Northwestern Mutual Life, Madison; R. J. Elliott, T. Eaton Life, Vancouver; F. B. Ensminger, North American Life, Detroit; B. Feinberg, Aetna Life, Newark; E. Felsenthal, New England Mutual Life, Memphis; Milton Fischer, Independent, San Antonio; Avery Gentle, New York Life, Ithaca, N. Y.; Henry Ginsberg, Manhattan Life, Miami; M. A. Goldstandt, John Hancock, Chicago; W. P. Graham, Lincoln National, Washington, D. C.; A. L. Hallenberg, Jr., Lincoln National, Louisville; M. J. Hamilton, Mutual Benefit Life, Chicago; H. J. Harris, Great-West Life, Ottawa; H. E. Henry, New York Life, Columbus; Irwin Hertzman, State Mutual Life, Louisville; J. A. Hill, Aetna Life, Toledo; J. B. Irvine, Jr., National Life of Vt., Chattanooga; P. R. Kaiser, Connecticut General Life, Philadelphia; C. T. Knox, Mutual Life, Buffalo; Louis Matusoff, Kansas City Life, Dayton; L. C. McGann, National Guardian Life, Madison; G. W. Mathews, New York Life, Columbus, Ga.; F. M. Minninger, Connecticut General, Detroit; P. M. Mucci, Metropolitan, Paterson; L. C. Mumme, Jefferson Standard, San Antonio; Colgan Norman, Penn Mutual Life, Louisville; F. G. Sherer, Equitable of Iowa, Terre Haute, Ind.; Max Seigler, Great-West Life, Montreal; D. H. Waterhouse, Mutual Benefit Life, Boston; W. M. Werber, Independent, Washington, D. C.; R. E. Williams, Northwestern Mutual Life, Richmond.

Life and Qualifying, Repeating

J. M. Abramowitz, Reliance Life, Baltimore; S. M. Abramowitz, Reliance Life, Baltimore; M. Lee Alberts, Equitable Society, Chicago; E. L. Allison, Northwestern Mutual Life, Tulsa; E. W. Baker, Canada Life, Toronto; M. L. Balser, Mass. Mutual Life, Atlanta; S. M. Barg, Independent, New York City; Jacques Barr, Mutual Life, Chicago; N. S. Bienstock, Mass. Mutual Life, New York City; R. G. Bosher, Jefferson Standard, Virginia Beach; D. M. Brigham, Northwestern Mutual Life, Los Angeles; J. E. Bromley, Mass. Mutual Life, Battle Creek; W. L. Brooks, Jefferson Standard, Charlotte; J. W. Brown, Mutual Benefit Life, Louisville; T. J. Brownlee, Equitable Society, St. Louis; H. R. Buckman, Old Line Life, Milwaukee; G. S. Burtis, Connecticut General, Chicago; R. W. Campbell, Fidelity Mutual Life, Altoona; O. E. Carlin, John Hancock, Columbus; W. E. Clark, Northwestern Mutual, Milwaukee; J. T. Comer, Jefferson Standard, Gastonia, N. C.; M. P. Coyle, Phoenix Mutual Life, New York City; C. E. P. Crauer, Northwestern Mutual Life, Poughkeepsie, N. Y.; Frank Crum, New York Life, Detroit; Victor Deitch, Sun Life of Canada, Indianapolis; R. W. Dozier, Mass. Mutual Life, Oklahoma City; Merton Durant, Canada Life, Toronto; Herman Duval, Northwestern Mutual Life, New York City; A. A. Ebenstein, Union Central Life, Beverly Hills; A. J. Elder, London Life, Toronto; E. R. Erickson, John Hancock, Buffalo; L. J. Fink, Connecticut Mutual Life, New York City; R. W. Frank, State Mutual Life, Chicago; A. E. Gillman, Northwestern Mutual Life, Baltimore; J. M. Hamill, Equitable Society, San Francisco.

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J. M. Hammer, State Mutual Life, Tampa; R. W. Harbert, Northwestern Mutual Life, Battle Creek; J. G. Harding, Northwestern Mutual Life, Portland, O.; W. B. Hardy, New England Mutual Life, Cincinnati; C. E. Harris, Equitable Society, Chicago; R. A. Harrison, Franklin Life, Sacramento; W. A. Hayes, Independent, St. Louis; H. W. Hays, Mass. Mutual Life, Rochester, N. Y.; W. C. Hewitt, Northwestern Mutual Life, Milwaukee; N. R. Hill, Northwestern Mutual Life, Seattle; I. Hirschfeld, New England Mutual Life, New York City; R. C. Holland, New York Life, New York City; G. A. Hollman, American National, Norman, Okla.; H. G. Horn, Business Men's Assurance, Portland, O.; M. H. Ingram, Southwestern Life, Dallas; N. S. Jacobson, Reliance Life, Baltimore; Gustave Jay, Independent, Newark; J. E. Josephs, New York Life, Charlotte; J. P. Joyce, Phoenix Mutual Life, Holyoke, Mass.; H. P. Karlsruher, New York Life, New York City; J. R. Kennedy, New England Mutual Life, Detroit; W. H. King, Mutual Benefit Life, Lima, O.; Lonnie Langston, Southwestern Life, Lubbock, Tex.; Jack Lauer, Independent, Cincinnati; M. J. Lauer, Continental American Life, New York City; D. E. Leith, New England Mutual Life, New York City; Rudolf

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Shanks Tells Why Prudential Picked Chicago Location

Company Is Host to 800; Illinois Governor, Chicago Mayor Are Speakers

The importance of the middle west and the factors impelling Prudential to build a skyscraper "mid-America" home office building at Chicago were discussed by Carrol M. Shanks, president of Prudential, at a dinner in Chicago at which the company was host to nearly 800 business and professional leaders of the area.

C. M. Shanks

Mr. Shanks pointed out that the nine-state area that will be served by the new headquarters building to be located on Chicago's lakefront, is very close to being completely self-sufficient in products and natural resources. So populous and important is the area that Prudential's Chicago home office will have enough business to make it the seventh or eighth largest life insurance company in the country.

Besides Mr. Shanks the speakers included Gov. Stevenson of Illinois, Mayor Kennelly of Chicago, President Wayne Johnston of the Illinois Central Railroad, and President H. D. Pettibone of the Chicago Title & Trust Co., chairman of the dinner committee, who acted as toastmaster.

The news about Prudential's new building created widespread interest in the entire area, particularly in Chicago, where the Chicago Tribune got wind of the story and broke it a day early under an eight-column banner headline. A sketch of the new building is on page 28 of this issue of THE NATIONAL UNDERWRITER.

Rankin Backing House Rejection of Senate Bill 84

WASHINGTON — Indicating resistance to substitution of Senate bill 84 for his own gratuitous indemnity bill, H.R. 1, Rep. Rankin, chairman House veterans affairs committee and ranking member of House conferees on the veterans insurance legislation, submitted to Congress and incorporated into the Congressional Record a joint letter from the Veterans of Foreign Wars, Disabled American Veterans and AMVETS, opposing the Senate substitute. The letter expresses the belief that House conferees will not accept the Senate substitute. Adoption of S. 84 in lieu of H.R. 1, the letter says, "would be a method of killing with kindness a progressive and meritorious piece of veterans' legislation."

$16 Million on USGLI

WASHINGTON — A veterans administration spokesman says dividends will be paid on the anniversary dates of first world war insurance—U. S. Government life or war risk—totaling about $16 million on approximately 440,000 policies. This will make a total of $225 million dividends paid on such insurance, the first one having been paid in 1921.

Hoosier Farm Bureau Life has selected Dr. Layman D. Eaton of Franklin, Ind., as medical director.

Economic Revolution Renders the Debit Agent a Key Figure

Ascendency of Wage Worker Makes Him the No. 1 Prospect

By RICHARD J. THAIN

Full employment and the union-engineered economic revolution which has resulted in wage workers getting a much larger share of national income have catapulted the combination agent into a position of high importance as the chief point of contact of the individual life insurance marketing operation with the non-white collar worker.

Never has business been as good as it is today on debits in metropolitan communities, particularly in factory districts. Factory workers and union tradesmen are far better off than ever before, despite inflation, while their white collar brethren make poorer prospects. Sales in the populous areas by combination agencies are booming, despite the fact that weekly premium business may be on the gradual wane.

Ordinary life men are amazed when they analyze the production of the combination agents and discover what a great percentage of this production consists of ordinary of substantial limits, juvenile and even group and business insurance. The debit system, sometimes regarded as out of date, is again proving the most impressive means for getting the life insurance into the home and into the hearts of the average American working man's family.

Some Ordinary Agents Switch

Within the last few years a number of men who started out as ordinary agents and were slowed up by the difficulties many have with prospecting, happily switched to the debit with its unbeatable system of opening up as prospects virtually every family in a given neighborhood. Likewise many a general insurance broker in the larger sections has been attracted by the obvious appeal of steady and substantial earnings offered on the debits. Men from both these categories usually make excellent combination salesmen.

The territorial character of the average district agency has meant that the combination offices have had to follow quickly shifts in population and economic changes in areas. Many an ordinary agency has lingered on in its original location, simply out of force of habit and has continued doing business in the same old way despite the fact that its territory had expanded greatly and perhaps changed in character markedly. Whenever a new neighborhood grows up, the combination people are alert to create a new debit and put one of their best men on it. The combination agencies analyze geographic situations and waste no time attempting to do business in the same old manner in an area which no longer merits the same intensive cultivation. The heavily populated areas have changed more within the last few years than in all their history. In the large cities, new elements of population have moved into the old districts and made them less profitable and whole new areas have developed. The center portions of the cities are almost entirely filled with commercial enterprises and with slums, neither of which provide fruitful areas for the combination operation.

The debit system has weathered so far inflation, whereas ordinary salesmen already are running into resistance from the whiter collar classes where incomes have advanced relatively little. Even if the wage freezes hold for non-white collar workers they may well be working tremendous amounts of lucrative overtime on defense production.

The cornerstone of the debit system, weekly premium industrial insurance, is in many localities no longer the primary cover. It is the door-opener, the excuse to get in. If it can be placed in force on a worker, the salesman on the debit can follow this up with the sale of monthly ordinary, ordinary, juvenile and A. & H. Though in many instances the debit agent is no longer actually performing much of a collection operation and his clients are paying their premiums by mail, he still has the tradition behind him with which almost all the workers are familiar from youth of the "insurance man" calling around regularly. The debit agents are able to cover much more territory because they do not have to call around at each house every week, but can make their visits every two weeks or every month. During these visits they are able to prospect, to offer advice and information and consolidate their positions as insurance counselors of the family.

TOO MANY PROSPECTS

The possibilities are almost limitless for energetic salesmen on the debits. Almost any industrial insurance man will tell you that there are many more good prospects in the populous areas than they can cover. Most combination companies are painfully conscious of the inability of their field staff to take care of all the prospects and to provide all the service they would like to. There is scarcely a company which has what it regards as anywhere near an adequate number of agencies in populous areas and most of these agencies in existence are understaffed.

In the years immediately following

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Zone 5 Rally Draws 300

About 300 attended the zone 5 commissioners' meeting at Denver. The entertainment was of the highest order. The banquet was a brilliant affair. W. L. Baldwin, president of Security Life & Accident, was toastmaster and Gov. Thornton of Colorado was the principal speaker. There was something of an untoward incident because during the course of the governor's talk someone from the audience shouted, "Is the governor making a political speech?" However, the governor kept going after a short pause.

D. W. Wooley of the Federal Reserve Bank of Kansas City spoke on regulation X.

Uniform Deposit Law Discussed

Melvin Snyder also gave a talk on the uniform deposit law idea. There was considerable discussion of the idea permitting casualty companies to write group life insurance. Insurance Director Stone of Nebraska ventured the opinion that such a development may be on its way.

There were no representatives present from the Texas department, the rumor being that a curb has been placed on out-of-state traveling. Commissioner Donald Dickey of Oklahoma was absent, due to the arrival at his home of a daughter. The new Wyoming commissioner, Ford S. Taft, was on hand.

Oklahoma City was selected for the next meeting Oct. 18-19, 1951.

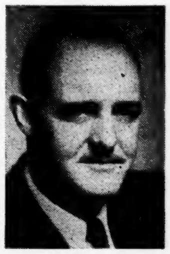
Vieser to Preside

Vice-president M. A. Vieser of Mutual Benefit Life will be moderator at the two day eastern mortgage conference to be held in New York City March 26-27 under auspices of Mortgage Bankers Assn. of America. About 700 will attend.

NSLI Veteran Could Pick Up but Doesn't Is Its Worst Evil

Moynahan Explains Why NALU Is So Solidly Behind Gratuitous Plan

From the agent's point of view, the biggest drawback about legislation that would permit the continuance of National Service life insurance is not the amount of NSLI that is actually continued or converted, since only a few ex-servicemen in the last war kept up their NSLI after discharge, but rather that so many eligible prospects for up to $10,000 of coverage use as an objection to buying life insurance the fact that they could reinstate their NSLI at a ridiculously low premium for term insurance.



J. D. Moynahan

This viewpoint was expressed by John D. Moynahan, Metropolitan Life, Chicago, president of National Assn. of Life Underwriters in an interview this week with THE NATIONAL UNDERWRITER while he was back in Chicago briefly between speaking trips.

Hopes for Agreement on H.R. 1

Mr. Moynahan expressed the hope that the members of the joint conference committee now considering H.R. 1 and S. 84 will agree on the major principles of H.R. 1, which include a gratuitous indemnity for all servicemen with termination 90 days after discharge except for disabled servicemen unable to buy commercial insurance at standard rates.

S. 84 would provide only for NSLI being made retroactive to June 27, 1950, covering all deaths from that date until 120 days after the bill's effective date. After that, NSLI would cover only those paying for it.

The typical situation encountered in selling to veterans, said Mr. Moynahan, is that the agent gets the prospect interested in buying more life insurance. But if the prospect has NSLI but has let it lapse, he wonders whether he couldn't just as well pick up his low-premium NSLI. The agent usually agrees with him. But since there is no follow-up to see that the veteran takes the necessary steps to reinstate his NSLI, he rarely does it, in spite of what he has told the agent. The result is that the agent wastes his own time and the veteran goes on without the insurance he needs.

Cost Would Be Obvious

Mr. Moynahan said N.A.L.U. is not overlooking the possibility that a free indemnity setup could lead, at some future session of Congress, to an extension of free coverage for life for all veterans, not just disabled ones. But he pointed out that the cost of such a move would not only be so tremendous but its size so obvious that it would have no chance of being enacted.

NSLI, on the other hand, is terrifically expensive but its cost is concealed by the theory that the insured is paying for it, even though all service-connected claims and a large share of the expenses are paid for by the taxpayers.

The situation is especially serious, Mr. Moynahan pointed out, because of the likelihood that universal military training will take in virtually all able-bodied

(CONTINUED ON PAGE 27)

Group Technicians Explore Defense Contract Plans

WASHINGTON—Committees representing group insurance interests were here Wednesday conferring with defense department officials on group matters related to defense contracts and on Thursday with wage stabilization board officials on problems presented by pension plans and so-called fringe benefits. Nothing concrete developed from either meeting, a group spoksman said.

A committee of six technicians from group companies conferred with defense department Insurance Director Kane and insurance officials of the military services about a plan for dealing with group coverage of defense contractors' employes. Such a plan if agreed upon or adopted, may be coordinated with the joint rating plan in which casualty companies are interested in connection with cost-plus-fixed-fee contracts. Th meeting was described as exploratory. Involved is setting up a plan which would be applied in the case of defense contracts, so that when a contractor takes on a government job he will know what to expect regarding cost of group coverage.

A subcommittee of the L. I. A. war problems committee explored Thursday with wage stabilization officials what the possible solution will be regarding fringe benefits under a general wage stabilization policy or regulation. A spokesman said nobody seemed to know how the matter would be handled. However, it was indicated no decision will be announced in the near future, but must await reconstitution of the wage board which has been broken up by labor representatives walking out.

Pa. Assn. Backs Emerick for Reelection as NALU Trustee

Winston P. Emerick, New England Mutual Life, Johnstown, Pa., has been endorsed by Pennsylvania Assn. of Life Underwriters for reelection as a trustee of the National association.

Mr. Emerick, who is chairman of the National group's committee on social security, during the year has spoken before a number of local associations throughout the east. He is a past president of both the Johnstown and Pennsylvania associations.

Taylor Predicts Insurance Should Continue on Rise

Production, Population Increase, Inflation Fear Termed Sales Incentives

NEW YORK—There is no foreseeable reason why the continual upward trend of life insurance in force in this country should level off, acording to Charles G. Taylor, Jr., president of Metropolitan Life.

C. G. Taylor, Jr.

Mr. Taylor spoke in answer to questions at the company's annual luncheon at which the 1950 report figures were announced. Highlight of the detailed report was the fact that life insurance in force at the end of the year was $45,425,000,000, an increase of $3,725,000,000.

The population of the country is increasing, production is up, while still another fact, the threat of inflation, all add up to an ever-increasing demand for life insurance, Mr. Taylor added. Only if the nation's economic trend were downward, he declared, would there be a likelihood of a reversal of the trend of more and more life insurance. And there is no indication of a depressed economy.

National Need For Insurance

The fact alone, Mr. Taylor continued, that insurance in force today represents the equivalent of the national income of about one year only is also an indication that there is need for a great deal more of insurance.

He pointed out that if the amount of national income going into life insurance were charted, it would show a smaller percentage than that in past years. However, the national income then was so much smaller that the true meaning is obscured.

In prepared statement, Mr. Taylor touched briefly on inflation. Explaining that four families out of five in the nation possess a "financial stake" in life insurance, he continued:

Warns of Inflation To Come

"Accordingly, inflation is a problem of utmost concern to life insurance policyholders as well as to all other citizens. This is true not only as to the inflation which already has occurred, but more particularly as to that which will result from our defense effort unless effective measures to check it are taken by government, business, and individuals.

"Every dollar that is set aside for life insurance is an anti-inflationary influence, since it is removed from competition for the limited amount of consumer goods that will be available as the defense effort proceeds."

Leroy A. Lincoln, chairman, discussed, with the aid of lantern slides, various tables in the report. It was brought out that Metropolitan by the end of 1950 had paid out $779,000 on 869 Korean war deaths. He added that in the Texas City disaster alone the company had paid out twice as many death claims.

Some other points brought out in the discussion:

The average length of life has jumped from 18 years in the Iron and Bronze Age to 68 1/5 at present. Only 100 years ago it was 41. This means, along with less death payments, more problems of social security in old age.

There is every indication that longevity will continue on the increase.

Slightly less than 20,000 company agents are servicing individually about $1½million of business.

The lapse rate continues down.

So far there is no indication that prospects are using inflation as an argument not to buy life insurance. On the contrary, it appears to be one important reason why more is being bought.

Chris Gough Steps Aside After 58 Years

Chris A. Gough, by all odds the dean of insurance supervisory officials of this country, is at last stepping down from active service. He has resigned as deputy commissioner in charge of the bureau of insurance of the New Jersey banking and insurance department. The resignation becomes effective May 1. Mr. Gough has been in this insurance supervisory work 58 years. So far as the insurance business is concerned, he has been year in and year out, the insurance department of New Jersey. On his golden anniversary in this position he was given a great testimonial banquet at New York. Mr. Gough's son, C. J. Gough is district supervisor at Trenton for Fire Insurance Rating Organization of New Jersey.

Benjamin B. Johnson, who has been special assistant deputy and chief of the rating division, becomes deputy commissioner succeeding Mr. Gough. Mr. Johnson has been with the department 40 years, during most of that time as Mr. Gough's immediate assistant.

Warren N. Gaffney, the banking and insurance commissioner, has been taking a more immediate interest in insurance supervisory affairs than has any of his predecessors.

Newark Leads Prudential Ordinary; San Diego Tops Company's District Offices

Prudential's highest field award, the President's Trophy, was presented to the Newark ordinary agency, headed by Charles W. Campbell. The presentation was made by Carrol M. Shanks, Prudential president, to Mr. Campbell at a dinner in Newark. Agency sales of gross paid-for new business was $30,155,000 and sale of group life was $25,500,000.

Ordinary agencies which will receive the Presidential Citation are: Chicago, Kent; Columbus; Honolulu; Los Angeles, White; Philadelphia, Rice; Raleigh; Richmond; San Francisco, Henderson.

The San Diego office will receive the President's Trophy for district offices. Formal presentation will be made by Mr. Shanks at a dinner.

The Gary district office was the closest contender in the trophy race. The next three were Detroit No. 2, Oshkosh, and Aurora, Ill. Each will receive a President's Citation. Citations will be awarded to 48 district offices.

An additional award, inaugurated this year, is the President's Trophy for pioneer districts. It was won by Phoenix for the best record among offices in existence five years or less. Bakersfield, Cal., will receive a citation.

Six Win Aetna Trophies

Six general agencies of Aetna Life have been awarded President's Trophies for outstanding agency performance in 1950 in sales and management.

They are Herbert W. Florer, Boston; Paul R. Green, Seattle; R. B. Hills, Dallas; H. Horton Humphrey, Newark; F. E. McMahon agency, Detroit, and F. E. Pence, Oklahoma City.

The general agents will serve on the general agents advisory council, which meets annually at the home office.

Lincoln National Promotes Seven

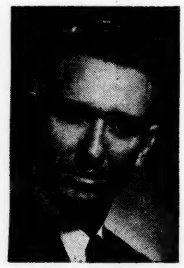
Lincoln National Life has promoted Samuel P. Adams, Fred W. Clark and Gathings Stewart to associate actuaries; Walter W. Steffen to assistant secretary, O. W. Lanning to assistant counsel and J. J. Madden and D. H. Gerig to secretary and divisional manager, respectively, of the mortgage department.

Samuel P. Adams

Mr. Adams has been with the actuarial department since 1935 and previously was supervisor of the mathematical section and assistant actuary.

Mr. Clark started with the company at Des Moines in 1934, later being transferred to the home office in the policyholders service department before joining the group department as supervisor in 1946. He was named assistant actuary in 1949.

Fred W. Clark



Gathings Stewart

Mr. Stewart joined the actuarial department in 1937 and has served as supervisor of the mathematical section, actuarial assistant and assistant actuary.

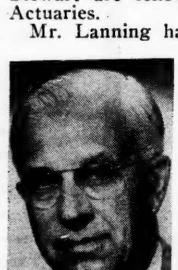
W. W. Steffen

O. W. Lanning

Mr. Steffen joined the actuarial department in 1941. Six years later he was promoted to actuarial assistant and in 1949 was named assistant actuary.

Messrs. Adams, Clark, Steffen and Stewart are fellows of the Society of Actuaries.

Mr. Lanning has served as attorney in the mortgage loan department since 1940.



D. H. Gerig

J. J. Madden

Mr. Madden started in the accounting department in 1928 and served as supervisor, divisional accountant, and later, in the mortgage department, as assistant divisional manager.

Mr. Gerig joined the company in 1944 after considerable experience in real estate and mortgage work. He has been assistant manager in the mortgage department.

Boston Mutual Life has moved its home office to 378 Stuart street in Boston.

Agent Procurement Described as at Standstill Now

Life Advertisers in N. Y. Discuss Ways of Aiding Agency Replacements

With a few notable exceptions procurement of new agents is virtually at a standstil. This was the general conclusion at a meeting of the Gotham group of Life Advertisers Assn. at New York.

The meeting was held to discuss ways to help agencies replace men lost to defense work or the armed services or from normal causes of attrition. A wide difference in the ideas in almost every home office, both as to means of prospecting for new agents and the age groups from which they should be sought, was apparent.

The seriousness of the manpower situation was emphasized by one member who pointed out that his company needs to hire 2,000 new agents a year simply to maintain the status quo. It considers the problem so vital that it has 400 men doing nothing but recruit and see the new men through to the stage where they enter active production.

He expressed the belief that with all their combined efforts the company is right now losing ground in its agency staffs.

Don't Want Women Agents

There seemed to be agreement that women would be actively recruited only as a last resort. A spokesman for one company said that comparing the monthly average production of a group of male and female new agents, the latter were some $4,000 behind the men, who averaged over $12,000. It was brought out also that the average age of the small group of women agents is 42 years compared to 34½ for the men.

The widest variance of opinion was on the age of new agents. One company man said it is prospecting in the wide 20 to 15-year bracket. Another held that prospects should certainly be over 25 and under 45.

A few present did agree that 30 might be considered an optimum age. One reported hiring recently an agent in his 50s who is turning out an exceptionally good job, though at least one other member said he would not consider employing a man of that age.

One large company reported a breakdown of the former occupations of its agents who were hired last year. It listed selling occupations including insurance, executives or proprietors of other businesses, students, coaches, clerical, accounting, military men, engineering and farmers in order of importance.

They were obtained through recommendation from some outside source, recommendation by an agent, local advertising, personal contacts, assistant manager recruiting, employment agencies, national advertising, mailing lists, and recommendations from policyholders.

No effort was made to determine how closely this followed the pattern of other companies represented, although another large life company did point out that the teaching and coaching field took second rank in its prospecting work. Assistant manager procurement stood first, owing to a new-man bonus system.

One company spokesman admitted that it has obtained some of its very best men from raiding other companies, including three top general managers last year and 40 agents. Although, perhaps fortunately, this train of thought was not pursued there was an obvious undercurrent of feeling that the subject should come in for further study in the future.

There was a wide discrepancy in views on means of recruiting, particularly advertising. One company reported that it has completely abandoned advertising as, for one thing, it brings in too vast an assortment of prospects not on a qualitative basis. It was further brought out that local advertising goes in cycles, sometime bringing in great quantities of man and others very little at all. Others rely heavily on advertising.

There was considerable debate on direct mail prospecting, particularly recuiting letters to policyholders. Although it was admitted that some of the best agents have been obtained in that way, the question was posed: Is this good for company-policyholder relations?

Several agreed that employment agencies offer an excellent source of new manpower as the agency—if it is a good one—screens the prospects before passing them on to the life agency.

One company reported that it has a very effective system through which the vice-presidents of all departments contact all outlets with which they come in daily contact. So far this system is said to be working very well.

The whole range of visual aids or prospecting pamphlets, talking up the virtues of life insurance selling in general and the company in particular, was regarded as worth further trial, although some expressed doubt as to the results.

Commissioners Delve Into Low A. & H. Loss Ratios

To Question 57 Companies on Policies Based on Mich., Ill., Minn. Study

Accident and health industry representatives were given a preview at Chicago Friday of the questionnaire that is to be sent to a number of companies within two weeks requesting information as to why they show a loss ratio of less than 25% on certain policy forms. The study is being conducted by the A. & H. rate study sub-committee of National Assn. of Insurance Commissioners, and the questionnaire is based on the results of a survey conducted by the Michigan, Illinois and Minnesota departments.

The department men spent Thursday in compiling their data and on Friday morning in a two-hour session presented to the industry a national experience exhibit showing combined 1948-1949 premiums, losses, loss ratios and commissions on policy forms producing in those two years premiums of more than $60,000 and a loss ratio of less than 25%. A study was made of companies licensed in Michigan, Minnesota and Illinois. There were 57 companies having 209 policy forms in the 25% or less loss ratio class, the premiums on these policies totaling $32 million. The 57 companies will soon receive a 17-item letter and question sheet, asking for particulars on these policies and a reason for the loss ratio.

Outgrowth of Zone 4 Question

The sub-committee was set up at the last meeting of the commissioners. It grew out of a resolution adopted by zone 4 questioning whether A. & H. benefits are reasonable in relation to premiums.

Among the industry representatives at the Friday meeting were C. O. Pauley, managing director of H. & A. Underwriters Conference; Joseph F. Follmann, Jr., manager of Bureau of A. & H. Underwriters; G. F. Manzelmann, president of North American Accident, Jarvis Farley, actuary of Massachusetts Indemnity, and John Panchuk, vice-president and general counsel of Federal Life & Casualty. There were seven departments represented, Illinois, Michigan, Minnesota, New York, California and New Jersey and an observer from Kentucky.

Mr. Pauley suggested that many of the 209 policies in question were new and the figures tell only half the story. He added that he would like to be sure that the premiums and losses were on an incurred and earned basis. Especially in the case of a new policy form the written-paid figures are apt to be misleading.

Jack Wickstrom of the Michigan department, chairman of the sub-committee, asked when the companies will all be able to report on an incurred-earned basis. Mr. Pauley answered that that would be hard for the small companies, and then it was brought up that 27 of the companies' figures were on an incurred-earned basis.

Mr. Pauley was reminded that at the Ann Arbor meeting of zone 4 in November when the study was proposed, he had predicted that limited policies would furnish most of the low loss ratios, but the results have shown that it is two to one for full coverage. Mr. Follmann then pointed out that many of the policies although called full coverage are of limited nature in that they are for travel accident, automobile accident, sports or vacation accident, and they should get special consideration.

Mr. Manzelmann elected to put himself in the witness chair, remarking "I think I can answer your questions without any fear." He noted that one of the policies of his company was involved and explained that it is a special $2 annual premium travel and pedestrian accident form. Because the premium is so low, the commission must be high enough to get the agents interested. It is a "leader" item. He explained that a policy of this nature must have benefits restricted to some extent, because if they are broadened the money to pay for them must come out of the commissions.

Mr. Manzelmann and W. Harold Bittel, actuary of the New Jersey department then had a go-around. Mr. Bittel wanted to know if there wouldn't be enough money left even after acquisition costs were taken out to pay for more benefits. Mr. Manzelmann explained that the policy contains a catastrophe feature, that reinsurance has to be bought.

Can Be 30 Points Difference

Several companies writing practically the same policy can have a difference of 30 points in the loss ratio, Mr. Follmann declared. This can be for good or bad reasons, but it often happens.

The department men brought out that in lieu of recent supporting data the theoretical industry allowable loss ratio for accident is 45% and for health it is 50%. Mr. Follmann was asked what he would do if he found that one of the bureau companies was running 30 points below these averages. He replied by asking what the commissioners would do if they decided to "break the business wide open" by increasing benefits or lowering the premiums and then an unusually high cycle of losses occurred. He said that the bureau was unable to maintain its statistical and experience activities during the war and only resumed that work in 1948. The two years of 1948-49 are not enough to go on, and the business will have to wait until about 1952 before there will be a base that can be considered accurate.

On Wednesday the zone 4 department men met at Chicago to discuss life and A. & H., one of the major topics being the question of maternity in group cases when a company takes over from Blue Cross. Blue Cross does not allow a carryover on maternity and the companies have been reluctant to allow it without the normal waiting period. The question was debated whether the companies should assume it as a general practice. Blue Cross people have refused to let down the bars, and when a large group is involved as many as 50 or 60 pregnant women find themselves without benefits.

Tabulation on Disability, Annuities Runs Next Week

Next week The National Underwriter will publish its annual statistical table covering experience of New York admitted companies on disability, annuities, settlement options, and double indemnity. The table will also include comparisons between 1950 and 1940 as to percentage of term insurance in force for each company, interest rates required to maintain reserves, and ratios of interest earned to interest required.

Pan-American Life Names E. H. McCorkle at Charlotte


Earl H. McCorkle

Pan-American Life has appointed Earl H. McCorkle general agent at Charlotte, N. C. After discharge from the air force in 1946, he joined State Farm Life at Charlotte. He is a graduate of the Purdue marketing course.

Further Plans for Small Companies' Parley Listed

At the simultaneous discussion sessions for companies with more than $100 million ordinary in force and those with less than that amount at the L.I.A.M.A. small companies conference, Ralph R. Lounsbury, president of Bankers National will preside over the former group at its morning session and Edwin A. Phillips, superintendent of agencies of Standard of Oregon, in the afternoon. W. J. W. Merritt, agency director of Wisconsin National, will be the morning moderator for the under $100 million group and Charles E. Gaines, vice-president and agency director of Great National, will preside in the afternoon.

The meeting will be held at the Edgewater Beach Hotel, Chicago, March 19-21 and these discussions will be held the second day.

Discussion questions will include such typical problems as recruiting during the present manpower situation, financing of new agents, and a number of other problems which were shown by a poll of the group to be those of greatest concern to the majority of companies of this size. The poll also pointed out that agency officers are interested not only in details of agency operation, but on fundamental questions and trends which affect life insurance as a whole.

Lee National Names Three New Officers

Lee National Life of Shreveport, La., has elected Eugene E. Hawley executive vice-president and secretary; Fort A. Zackary assistant secretary and agency director, and appointed Joe G. Preddy general agent at Shreveport.

Mr. Hawley has been with the company since its formation in 1947 and has been secretary-treasurer. He is also a director. Prior to joining Lee National he was with National Fidelity of Kansas City.

Mr. Zackary has been in life insurance since 1946 and with Lee National as an agent since 1949. He is a veteran.

Mr. Preddy started in life insurance in 1927 and has been general agent at Monroe, La. since 1949.

Board of Insurance Medicine Formed by Medical Directors

The executive council of the Assn. of Life Insurance Medical Directors met in New York City, where arrangements were made for the annual meeting to be held at the Statler hotel in New York City Oct. 10-12.

A significant accomplishment was the establishment of a board of life insurance medicine, recommended by the committee for promotion of life insurance medical education to the association at the October, 1950, meeting and authorized by the association at that time. Appointed to serve until Dec. 31, 1954, are D. William Bold, New York Life; Dr. Edwin G. Dewis, Prudential; Dr. J. Raymond B. Hutchinson, Acacia Mutual; and Dr. Harry E. Ungerleider, Equitable Society; to serve until Dec. 31, 1953, Dr. Norman J. Barker, Connecticut General; Dr. Harold M. Frost, New England Mutual; Dr. F. Tulley Hallam, State Life of Indiana; Dr Ennion S. Williams, Life of Virginia; to serve until Dec 31, 1952, Dr. Karl W. Anderson, Northwestern National; Dr. Cecil C. Birchard, Sun Life of Canada; Dr. William H. Scoins, Lincoln National Life; and Dr. Lauritz S. Ylvisaker, Fidelity Mutual.

Scope of Board's Work

The board will concern itself with the postgraduate training of doctors who enter the field of life insurance medicine. It will endeavor to assist doctors entering this field by arranging courses on the non-medical aspects of life insurance along the lines of the three-day course given prior to the 1950 annual meeting when over 70 medical directors were addressed by experienced representatives from the insurance industry on non-medical subjects with which medical directors must become familiar and on medical underwriting where prominent medical directors can give, to the doctors entering the life insurance field, the benefit of their experience on the application of the best in medicine to the problems of life insurance.

In view of the fact that the medical director today must assume the role of a medical consultant to the life insurance industry, the board of life insurance medicine will emphasize the need of careful selection of doctors who have had the best available medical training, are interested in applying this training to the problems and promotion of life insurance, and will keep informed about current developments in medicine by maintaining membership in local and national medical societies and by attending postgraduate courses designed to keep physicians abreast of developments in their particular fields. Certification boards are taking over this postgraduate training in the medical profession and are requiring as much as five years of supervised graduate medical work and practice before specialty examinations can be taken. The training required for certification in internal medicine will be emphasized as offering most for those doctors who wish to enter life insurance medicine. The board of life insurance medicine will endeavor to provide facilities for continued postgraduate training of medical directors in the specialty of life insurance medicine. Dr. Frost was elected chairman of the board and Dr. Ungerleider was appointed educational director.

An informal luncheon attended by members of the executive council and the board of life insurance medicine was arranged in honor of Dr. Samuel J. Streight who is retiring in March as medical director of Canada Life after more than 25 years' with that company. Unfortunately Dr. Streight was unable to attend because of cancellation of his plane flight. Dr. Streight has been active in the medical directors association, served as president in 1945-1945, and has since been an influential member of the executive council. His contributions to life insurance medicine were acknowledged and all colleagues present sent their best wishes to him for many happy days in his retirement.

Di Salle Desires Social Security Increase Study

WASHINGTON — Michael V. DiSalle, director of price stabilization, recommended to the congressional "watchdog" committee set up under the defense controls act that definite consideration be given to the increasing of social security benefits. He dwelt upon the difficulties being experienced by persons living on pensions and other forms of fixed income in view of inflationary conditions. He said it was "almost impossible" to secure price reductions to a point where those living on fixed incomes could live in comfort.

Hyde Perce in New Post

Hyde Perce, who was insurance editor of Chicago Journal of Commerce until that paper was acquired by Wall Street Journal and the insurance department discontinued, is now with the Carl Byoir advertising agency in Chicago. His particular assignment is in connection with the institutional program of the fire and casualty mutual companies to celebrate in a big way during 1952 the 200th anniversary of the founding of mutual insurance in the U. S.

The **Cleveland agency** of New England Mutual Life has moved to new and larger quarters at 509 Euclid avenue, the recently constructed Central National Bank building.

Light, Heat and Confusion Mark Fla. Code Hearings

By JEANNE WELLENKAMP

MIAMI—Light, heat, and confusion marked the Miami hearings on the proposed new Florida insurance code held last Thursday and Friday. The sessions originally scheduled for the First Federal building were moved to Bay Front auditorium at the last moment to accommodate the large number of insurance men who wished to attend.

About 250 local and out-of-state representatives listened attentively while speakers traded views and verbal punches with Sen. Henry Baynard and other members of his continuing joint insurance committee of the legislature.

Baynard stated that the committee, in framing the proposed code, attempted to safeguard the public, the agent, and the company, in that order. He said that between 1940 and 1949 insurance in force in Florida had increased from $1,036,000,000 to $2,952,000,000, a gain of 184.8%, and that in the same period net premiums and taxes collected on them had increased 215%. He said that many of the laws governing insurance in the state were antiquated, and that in drawing up the proposed code, his committee had followed the Kentucky code in large measure, adding provisions of the Texas rating plan, and incorporating ideas of their own. He added that in earlier public hearings objections had been made to practically every aspect of the code, including provisions which had been in operation in Florida for years.

Larson Cites Growth

Commissioner J. Edwin Larson spoke briefly. He said that Florida, with 34 companies in the state, was rapidly coming into a leading position insurance-wise, not only in the south, but in the nation.

Baynard is a local agent at St. Petersburg and represented Wm. Penn Fire, which failed. That experience may have colored many of the code provisions.

"It is not the intention of the legislature to put anybody out of business," Mr. Larson said. "I hope that at the conclusion of these hearings a plan will be worked out which will stand as a monument for years to come."

The code, which runs to over 300 printed pages and was eight months in the making, was in the hands of insurance men less than one month before the hearings were scheduled. As a result, all presentations were not completely prepared, and it is expected that some objections will be made directly to the legislature when it goes into session next month.

W. J. Hamrick, agency vice-president of Gulf Life and chairman of the legislative committee of the Life Agency Managers Assn. of Jacksonville, spoke for the domestic life companies.

Hamrick Speaks for Life Men

Mr. Hamrick objected to raising the examination fee from $5 to $10. He also objected to turning over inspection reports on new agents to the commissioner, stating that to make these reports available to a second party is in violation of the companies' contract with the credit bureaus.

Sen. Verle A. Pope voiced the belief the companies should deal with credit bureaus which would not demand their reports be kept confidential. Sen. Baynard added that the commissioner is entitled to the credit report even if he orders it himself from the increased examination fee. Mr. Hamrick replied that he felt that the combined experience of the companies in selecting agents was worth at least as much as any commissioner's.

Residence Requirement

Mr. Hamrick brought up objections to the provision that applicants for license must be resident of the state for one year, and of the county for six months. He said it is unreasonable to deny a license on grounds of residence when all other requirements are met, and cited the case of a man who was forced to move to Florida because of his health and the need to do outside work.

Sen. Pope said it is unfair to agents already in the state to have people come down here and write a little insurance to help pay for a vacation trip.

Mr. Hamrick objected to the requirements of a photograph with license application, stating the only people this would benefit were the photographers. Sen. Baynard replied that photographs were a common requirement in all industry, and that finger-prints were also often demanded.

Speaks for A.&H. Law

James E. Powell of Provident Life & Accident, representing H.&A. Underwriters Conference, spoke in recommendation of the uniform A.&H. standard provisions law as recommended by National Assn. of Insurance Commissioners.

Sen. Pope said he objected to policies which gave you everything in big type and took it away in small type, but Mr. Powell said the law recommended by the commissioners called for all type to be the same size.

Kirk A. Landon, chairman of American Bankers Ins. Co. of Miami, spoke on investments. He called attention to the provisions of the code regarding valuation of securities other than bonds. He said that to permit the commissioner to determine the price of securities at his discretion is to put too much burden on him, and would also leave the companies in the matter of security values "in the discretion of the commissioner" and "at prices determined by him as representing their fair market value."

Mr. Landon stated that N.A.I.C. maintains a committee on valuation of securities, with a full-time staff of security experts, who yearly list securities held by insurance companies with their proper valuations. Mr. Landon recommended that securities held by an insurer shall be valued in accordance with the rules of N.I.A.C.

"These sections of the proposed insurance code appear to have been modeled on the investment provisions of the Kentucky insurance laws of 1950," Mr. Landon said, "with the difference, however, that the limitations imposed by the Kentucky code have been narrowed in some instances in the proposed Florida code. Adoption of the proposed code as respects investments would mean in a practical sense that the investment of insurance company funds is taken from the hands of insurance management and put into the hands of the insurance commissioner." Mr. Landon said that he objected to the set percentages required.

Where to Put the Eggs

Sen Baynard asked if Mr. Landon thought it advisable for an insurance company to be able to put all its eggs in one basket. Mr. Landon replied that he thought the quality of the investments should be the regulating factor. Rep. Cobb asked Mr. Landon if he wanted the right to invest all his company's funds in municipals. Mr. Landon replied that that might be entirely suitable. Sen. Baynard said, "Municipals are good right now, but in the past they have dropped." Mr. Landon pointed out that at one time government bonds went to 80. Sen. Baynard said that he would insist on some percentage provisions, and it was agreed that a limit of 25% in any one classification might be a workable figure.

Sen. Pope added that sometimes people are inclined to gamble with other people's money.

Mr. Landon stated that there was not sufficient restriction on the purchase of common stocks in the proposed code and that he felt they should be placed under some percentage quota.

James H. Howard, captain U.S.A., retired, now studying insurance at University of Miami, said the price of becoming an insurance agent was too high for a disabled veteran. Sen. Pope said that the statute on the books exempts the disabled veteran from all fees except examination fee.

Deposit Provisions

De Blois Milledge, vice-president of American Title & Insurance Co., spoke at length on the deposit provisions. He said that if this section should be adopted and the increased deposits as set forth become law, other states will require Florida companies to apply the laws of their own state in order to do business. This will tend to limit Florida companies to operation in their own state only, as putting up large deposits in 48 states would be prohibitive.

Mr. Landon opened the second Miami session of the public hearings with a small bomb when he brought forward an alternate proposal for the so-called

Pope plan for the deposit of securities.

Under his proposal the deposits of $20,000 presently required of all domestic, foreign, and alien companies would be considered in toto as a "state reinsurance fund" for the protection of Florida policyholders.

Mr. Landon then took issue with the proposal to give the commissioner discretionary grounds for revocation of authority where an insurer "usually compels claimants under policies either to accept less than the amount due them, or to bring suit. . ."

"To enact this provision into law would turn the commissioner's office into a claims court, with certain classes of claimants using such section of the law to bludgeon insurance companies into high settlements," said Mr. Landon.

Sen Baynard interrupted further discussion to say he thought it was about time the commissioner started to interfere in the settlement of claims.

Examination Procedure

Paul E. Helliwell, secretary of American Bankers of Miami, suggested that the N.A.I.C. provision for examination of insurers every three years be adopted, rather than the proposed examination every two years. He objected to the results of the examination being published at the expense of the insurers, stating that he was afraid newspapers would get hungry for fees.

Sen. Baynard pointed out that this had been the law since 1863 without hurting anybody.

When Mr. Helliwell questioned the desirability of having "all advertising subject to regulation by the commissioner," Sen. Baynard replied this was particularly directed to misleading advertising such as so-called "community health plans" which are not community plans at all, and run full page ads which are very deceptive.

Mr. Helliwell said that while the industry is whole-heartedly in favor of preventing inside looting, he did not feel that a member of a board or financial committee of an insurance company should be prevented by law, as in the proposed code, from profiting from the sale of securities to said insurance company.

Compares School Board Practice

Sen. Baynard took issue with this view. He said men serving on school boards, for example, were not permitted to profit from that association, and he could not see any reason why the member of an insurance board should. "I don't think people should serve on your board for the purpose of selling you their investments," he said.

"You can't get a competent board," replied Mr. Helliwell, "if you disqualify any investments represented on the board."

"I'd hate to think," said Sen. Baynard, "that Florida is so poor in brains that you couldn't get anyone competent to serve who wasn't a banker or investment man."

To this Mr. Helliwell replied that the public is entitled to experts in the field, and fruit growers aren't experts in investments. Sen. Baynard said he would look at any alternate measure which would be offered.

Frank Gabor, president of Greater Miami Assn. of A. & H. Underwriters, and secretary and treasurer of the state association, expressed the views of both organizations in asking that A. & H. licensing requirements be made lenient as there is no competitive problem here, and recruiting should not be made more difficult. He also suggested that all references to A. & H. be placed in one section of the code rather than be scattered throughout.

WOOD ARNOLD, 73, director and retired senior vice-president of Kansas City Life, died following a cerebral hemorrhage at St. Petersburg, Fla., where he and Mrs. Arnold had gone for a vacation.

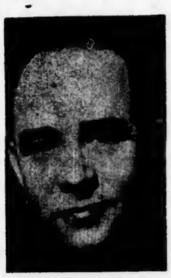
He was the father of C. W. Arnold, Kansas City Life's vice-president and superintendent of agencies, and had retired Dec. 31, 1949, after more than 40 years with the company.

He had served on the board longer than any other member, having become a director early in 1911. His father, Henry C. Arnold, was one of the men who founded the company in 1896. In 1916 he was made assistant secretary in the real estate loan department, and in 1918 was elected vice-president. A close friend of the late J. B. Reynolds, Kansas City Life's first president, Mr. Arnold assisted him in negotiating the land purchase of the present home office site and was in active charge of the planning and construction of the building in 1923 and 1924.

He and Mrs. Arnold celebrated their golden wedding anniversary in 1947.

HALE PROMOTED

HARTFORD—Charles T. Hale has been appointed superintendent of the general accounting division of the comptroller's office of Travelers. He joined the companies in 1912 and was assigned to the audit department. He later transferred to the general accounting division and was appointed accountant in 1940.



Charles T. Hale

Mr. Hale saw service in the Mexican border campaign in 1916 and served two years during the first war.

Enlarged New Edition of "Who Writes What?" Issued

Readily available answers to all sorts of questions regarding which companies will write any specific form of coverage, or will follow certain practices, are provided in the new enlarged 1951 edition of "Who Writes What?" recently published by THE NATIONAL UNDERWRITER. This unique life insurance reference work, now in its 10th edition, tells at a glance just which companies will write the form of coverage one is seeking. It is arranged by subjects rather than by companies, so that one need only to consult its comprehensive topical index, turn to the page indicated, and there in one place find the companies that write the contract desired. In addition, many of the rules, practices, limits, contract provisions, etc., are also shown in similar convenient form. Thus it is a great time saver wherever one has a question concerning any coverage or type of prospect that is a little out of the ordinary.

Among the general classifications treated in "Who Writes What?" are surplus business, term insurance, investment contracts, employe pension plans, nonmedical, disability, double indemnity, single premium contracts, substandard, aviation, advance premiums, settlement options and other policy provisions; group, limits, accident and health and hospitalization. As all of these are somewhat of an overlapping nature, the book is not divided into specific sections. Each subject is carefully indexed under all of the several questions it answers, and practically all types of questions concerning "who-writes-it" are covered, along with considerable information about "how" the coverage is written.

Almost every company has made important changes in, and additions to, the sections covering mortgage insurance, family income, and other term forms since the last edition was published. Furthermore, the trend towards full benefit at age 1 on juvenile insurance, higher limits, and other liberalizations have made very extensive revision of many other sections necessary. Thus the new 1951 "Who Writes What?" is not only considerably enlarged but also tells an almost completely different story from the previous edition.

Because of its great convenience, "Who Writes What?" is one of the most frequently used of all life insurance references. Both agency and company men find it especially helpful as a quick guide to what other companies are doing. Agency managers find it helpful with their agents in connection with cases their own companies cannot accept, and personal producers frequently earn substantial extra commissions from information it provides on placing unusual cases.

Selling singly at $3 a copy, and less in quantities, "Who Writes What?" may be obtained promptly by addressing the National Underwriter Co., 420 East Fourth street, Cincinnati 2, O., or any National Underwriter office.

New England Mutual Total

In the Feb. 23 edition of THE NATIONAL UNDERWRITER it was stated that New England Mutual issued nearly $279 million in new life insurance in 1950. Actually, New England Mutual issued nearly $297 million.

B. C. Changes Agents' Tax Laws

British Columbia has changed its insurance act so that life agents will not have to pay license fees in municipalities unless they have office space. Before, an agent had to pay a special fee to any town or city in which he solicited business.

A committee has been formed by **Life Underwriters Assn. of Canada** to study agents' compensation.

E. H. Curcuru Named to American College Staff

Edmond H. Curcuru has joined the staff of the American College as director of promotional service. He will assist in the planning and implementation of the C.L.U. promotional conferences to be held this spring. After army service he joined the veterans administration at Detroit. Later he went with Mutual Life as an agent at Detroit and more recently has been in charge of advertising and public relations for the First National Bank at Highland Falls, N. Y. He graduated from West Point in 1943.


E. H. Curcuru

Tenn. License Laws Signed

Governor Browning has signed two agent licensing bills passed by the Tennessee legislature with no opposition in either house, one applying to fire and casualty and the other to life and A. & H. agents. Both require new applicants to pass examinations given by the insurance department, but they are not required for renewals. No exceptions are made for those seeking limited licenses.

Jefferson Standard Life will hold its national agents' convention at Washington, April 15.

Figures from Companies' Year-End Statements Shown

	Total Assets $	Increase in Assets $	Surplus to Policy-holders $	New Bus. 1950 $	Ins. in Force Dec. 31, 1950 $	Increase in Ins. in Force $	Prem. Income 1950 $	Benefits Paid 1950 $	Total Disburs. 1950 $
Amer. Life, Birmingham.	7,365,994	748,283	869,573	26,875,346	62,478,760	1,839,604	2,429,241	694,920	2,046,578
Atlantic Life	62,148,974	5,121,494	4,237,445	59,138,098*	250,592,909*	44,007,183	5,642,621	3,374,029	6,836,592
Atlas Life, Okla.	12,685,835	1,315,504	865,000	41,793,116	113,824,148	33,051,727	2,819,172	1,177,241	2,436,430
Bankers Mutual Life	3,087,617	598,618	300,000	6,910,377	29,963,052	3,595,176	1,155,639	264,107	862,735
Canada Life	387,587,486	17,289,821	22,850,475	169,484,390	1,257,387,836‡	100,942,058	37,027,715	24,959,983	45,574,210
Century Life	6,823,516	1,010,249	36,156	8,745,332	46,917,000	3,710,523	1,770,712	373,103	1,138,711
Coastal States	3,693,533	1,014,842	610,378	20,021,353	44,058,819	5,853,385	1,606,551	139,742	979,724
Conn. Savings Bank	1,573,599	316,753	156,536	2,274,781	14,392,402	1,968,238	425,938	106,278	301,077
Constitution Life	9,630,785	773,084	1,197,668	19,448,906	66,736,828	9,825,288	3,416,048	1,216,042	3,130,667
Country Life	62,510,183	7,844,102	4,556,795	57,022,229	436,506,515	40,747,039	9,875,057	2,477,215	6,305,321
Cuna Mutual	4,398,858	1,432,267	1,185,545	212,626,319	606,033,099	183,600,022	4,491,698	2,857,611	3,320,009
Farmers & Traders Life.	25,028,987	2,105,729	1,474,151	11,316,069	113,600,261	6,145,436	2,804,278	857,633	1,893,688
Fidelity Life, Canada	4,191,862	406,668	239,664	4,122,460	22,412,623	1,842,662	568,212	138,576	195,874
George Washington Life.	2,689,917	383,357	150,000	1,439,926	16,199,676	—1,944,575	1,202,620	428,360	2,649,484
Great Southern Life	115,134,510	11,300,669	9,546,763	74,393,588	515,224,634	32,049,474	13,405,482	5,766,909	11,575,136
Home Friendly, Md.	9,382,391	531,978	1,955,247	9,322,124	42,306,591	2,068,376	1,584,420	539,506	1,426,135
Hoosier Farm Bureau	7,852,310	1,548,957	899,507	16,046,726	75,211,412	11,233,096	2,733,010	789,658	1,558,813
Knights Life	37,393,461	4,712,188	3,000,000	60,691,947	309,017,907	19,266,334	9,183,244	1,978,492	6,229,728
Lafayette Life	16,379,300	1,528,300	1,412,248	13,330,144	80,528,471	6,625,142	2,296,357	755,104	1,701,802
Lincoln Income Life	4,237,632	893,492	841,892	48,221,745	73,329,533	6,589,815	3,574,638	865,936	3,135,029
Massachusetts Mutual	1,395,228,964	82,313,653	82,601,997	375,229,328	3,162,199,261	213,703,766	106,628,009	67,270,616	123,063,128
Mutual Life	2,143,298,689	68,586,269	185,216,366	294,699,059†	4,418,624,930	103,060,219	133,100,465	115,900,885	182,070,775
North Amer. Acc.	20,976,480	1,746,869	1,603,831	11,524,823	86,381,875	5,261,757	10,713,358	4,110,900	9,689,586
North Amer. Life	27,328,057	1,941,195	2,243,642	21,078,822	137,262,585	9,136,608	3,921,284	1,429,859	3,229,253
North Amer. Reassur.	35,253,050	2,320,231	5,794,774	96,773,400	436,386,000	31,942,800	6,644,486	3,699,708	6,257,401
Northwestern Life	3,200,376	429,397	200,168	2,724,334	29,492,837	—690,202	1,135,704	392,902	922,978
Occidental Life	18,204,119	1,892,492	1,295,965	21,327,833	97,997,266	10,359,405	2,570,748	859,454	2,225,089
Phila.-United Life	3,022,156	410,407	916,300	25,205,656	37,376,256	8,055,399	1,252,532	129,945	984,397
Presbyterian Ministers	50,683,654	2,504,855	5,070,000	8,285,620	100,273,037	5,570,389	3,429,081	3,097,429	4,441,510
Progressive Life	2,328,769	228,676	496,830	8,730,620	22,270,831	3,120,254	2,244,367	730,557	2,057,782
Security Life & Acc.	23,292,765	2,658,627	2,815,033	39,929,610	142,963,405	28,666,434	4,975,246	1,655,564	3,958,598
Shenandoah Life	31,253,971	2,230,153	3,600,000	22,723,731	368,267,870	5,739,349	7,706,715	5,059,494	8,075,958
State Capital Life	6,405,871	1,229,952	1,108,975	75,253,241	107,389,056	20,224,407	4,804,386	779,822	4,089,450
Sunset Life	3,284,396	356,774	673,800	3,678,956	25,600,913	1,255,723	781,212	301,773	682,203
Universal Life & Acc.	6,787,505	816,837	778,613	25,684,297	69,581,525	877,370	2,345,191	586,844	1,764,380
Western Life, Mo.	987,599	146,435	101,742	5,161,600	18,187,804	1,801,043	529,128	188,624	457,819
FRATERNALS									
Degree of Honor Prot.	25,563,516	972,950	86,945	5,133,237	73,104,903	150,697	1,549,691	961,594	1,589,833
Jr. Order Un. Amer. Mech.	9,064,170	226,487	21,020	2,366,655	23,823,444	83,353	795,429	664,396	1,057,549
Protected Home Circle	16,733,278	617,643	822,678	8,945,393	123,385,597	106,419	3,500,190	2,469,085	4,075,556
Supreme For't W'dmen Cir.	47,662,225	1,018,404	305,909	11,448,581	72,078,620	1,067,095	1,858,152	1,158,322	1,945,945

*Includes $30,540,477 industrial reinsurance. †Excludes dividend additions of $9,718,314. ‡Reinsurance ceded deducted.

Statements Show Results in 1950

CROWN LIFE

Crown Life issued $115,545,298 worth of insurance during 1950 to bring the total in force to $733,665,247. Payments to policyholders and beneficiaries amounted to $7,862,613. The reserve for contingencies was $2 million. Assets rose to $134,673,398.

ILLINOIS BANKERS

Life insurance in force of Illinois Bankers Life increased from $126,435,319 in 1949 to $129,567,837 in 1950. A. & H. premium income for 1950 was $1,444,097. Assets increased to $32,321,126. Surplus to policyholders was $2,013,152. Payments to policyholders and beneficiaries during 1950 amounted to $2,775,328.

LIBERTY LIFE OF S. C.

Insurance in force of Liberty Life of South Carolina increased $38,367,035 during 1950 to $435,450,133. Assets increased $5,627,855 to total $50,887,149. Surplus to policyholders was $5,099,761. Payments to policyholders during the year amounted to $3,243,000.

LIFE OF GEORGIA

Life of Georgia gained $87,964,302 to end 1950 with $731,158,978 life insurance in force. Assets increased 19% to $55,918,386.

Payments to policyholders and beneficiaries were $8,067,621, up $579,160. Policy reserves were $38,561,093, up 26.82%. Surplus funds and capital totaled $11,768,766.

Of the insurance in force, $628,432,877 was weekly premium and $102,726,101 ordinary. Ordinary paid for amounted to $45,793,759. Total premium income was $35,859,919.

Life of Georgia this year is observing its 60th anniversary.

N. AMERICAN REASSURANCE

Life reinsurance in force with North American Reassurance amounted to $436,386,000 at the end of the year. Surplus to policyholders was $7,794,774. Reserves were $24,385,546.

OCCIDENTAL OF CAL.

Occidental Life closed 1950 with $2,742,650,760 insurance in force, resulting from an in-force increase of $574,937,365, or 27%, which is more than twice the 1949 increase.

Ordinary in force increased 22% to reach $1,719,710,185. Group rose 35% to cross the billion mark for the first time and reached $1,022,940,575. A. & H. premiums gained 25% in 1950 to reach a record of $16,115,296 on group and individual plans. Life sales set a new record, being $686,756,599, exclusive of revivals and increases, a 60% increase over 1949, the best previous year. Ordinary sales were $471,080,124, a 35% gain, while group sales were $215,676,475, a gain of 168%. Benefit payments increased 18%, totaling $31,457,349.

Assets at Dec. 31 were $278,320,001. Surplus to policyholders was $26,405,723.

RELIANCE LIFE

Reliance Life insurance in force reached $977,192,648 at the end of the year. New life insurance sold amounted to $101,878,093. Assets increased $20,785,312 during the year to total $300,417,752. First year A. & H. premiums amounted to $276,820, an increase of 42%. There was $16,176,969 paid to policyholders and beneficiaries.

UNION LABOR LIFE

New life insurance paid for by Union Labor Life during 1950 amounted to $74,903,047, twice as much as was sold during 1949. Life insurance in force reached $316,830,195, an increase of 28%. Total payments to policyholders and beneficiaries amounted to $4,877,763. Assets were $2,568,424, a 24% gain. Surplus to policyholders was $3,412,971.

WASHINGTON NATIONAL

Premium income of Washington National gained more than $2,800,000 during 1950, reaching a total of $41,281,682. Surplus at the year's end was $13,762,116, a gain of $423,790. Capital was increased from $5 million to $7,500,000 and the contingency reserve was increased by $1,100,000 to total $5,500,000. Insurance in force showed a net gain of $60 million and totaled $659,541,305. Assets gained $11 million to total $134,387,332.

John D. Marsh, general agent of Lincoln National Life at Washington, will speak at the March 15 luncheon of Life Underwriters Assn. of Northern New Jersey at Newark. His subject is "Life Insurance—A Vehicle in Estate Planning." The meting is sponsored by the Newark C.L.U. chapter.

Garvin Made Conn. Deputy

Commissioner Allyn of Connecticut has appointed Edward T. Garvin deputy commissioner. Mr. Garvin, who has ben serving for several months as acting deputy, will continue as liquidation agent of receiverships in the department. He has been with the department 19 years.

Employes of the department feted the two department heads. Mr. Allyn received a man's club bag, and Mr. Garvin an traveling bag.

New Denver Company Title

The name of Fidelity National of Denver has been changed to Fidelity Life & Disability. This was done to enable the company to enter additional western states. The former name is in conflict with that of certain companies already established.

EDITORIAL COMMENT

Underwriting Manuals for Agents

There seems to be an increasing trend to having medical directors on agents' convention programs to explain the how and why of medical underwriting, particularly the reasonableness of a company's having to decline or rate up applicants with certain types of impairments. Company house organs frequently have articles by the medical director on medical underwriting, often in the form of a series taking up one type of impairment per article.

It would seem to be a logical extention of this dissemination of information for companies to make greater use of the idea of a manual of impairments written in layman language so that agents would have a more sympathetic understanding of what the medical department is faced with in passing on risks.

Speeches on underwriting are valuable as general background, and that is true also of house-organ articles. But with a few sparkling exceptions they are over-technical and often just plain dull. Doctors are not primarily sales-minded and it is a sales job that has to be done in selling the rightness of the underwriting department's decisions to the sales force.

An underwriting manual for agents could be a powerful morale-builder and stimulus to effective production. There is nothing more discouraging or baffling to an agent who has sold a case that he thinks is unquestionably insurable than to have the underwriting department turn it down for causes that may seem to the agent, in his hour of gloom, unreasonable and even capricious.

A manual that would really sell the agent on the general and specific sensibleness behind the underwriting procedure would help offset the discouragement that now overtakes agents oftener than is necessary. It might even induce the agent to underwrite many risks himself to a greater extent than he does at the present time.

Reabsorbing the Returned Serviceman

The problem of reconciling a sincere desire to give veterans of service in the present emergency the same fine treatment accorded those who returned from the last war without impairing company administrative efficiency or dampening morale is troubling home office executives.

They are trying to benefit from the experience gained in 1945 and 1946 and avoid some of the troubles that arose then in giving veterans the chance they had or would have had if they had not been called into service without destroying the hopes or aspirations of those who for reasons not of their own making were not in the service.

A real personnel problem was created when the veteran returned to the office several years older but without a corresponding increase in ability in the job he had when he left.

A severe problem was created for example when Jones went into the army in 1941 and was succeeded by Brown who left in 1942, being succeeded by White who left six months later. Successive changes in that position took place during later years. In addition to the changes in the basic position secondary changes involving perhaps half a dozen junior positions were made each time someone ahead of them moved up. These men did not return in sequence and the personnel change had to be undone in illogical order. Sometimes men had to be transferred into other departments.

After the last war most of the men returned as a group within a period of six months or a year. This time there is great uncertainty as to when they will return. The questions are: Will the men be back tomorrow? Will they be back gradually over a period of years? How can we evolve a plan for reintegrating these men with our organization again, particularly if it changes in the meanwhile?

If mechanization is not impaired by equipment shortages some jobs will no longer be in existence. What to do with the man who had the job?

Other problems may arise. During the late 1930s, for example, many companies employed a sizable staff of real estate specialists to manage properties which they had foreclosed because of the depression. During the war years many of these mortgages were paid or sold. When the men who had been doing that work returned as veterans after the war there was no job for them.

Many companies found themselves relatively overstaffed with male personnel in trying to take care both of veterans and of those who had not gone into service. This increased costs. Nor was the effect uniform on all departments. Particularly in large companies where specialization has advanced considerably it was not possible to put men in another division. This made it even more difficult for those returning to a division, especially if it was already experiencing a surplus itself.

There is bound to be much emphasis on retraining programs. A veteran charged with supervising persons with more experience than he has in a particular job is likely to be as uncomfortable as those he is supervising.

There is no easy solution to the overall problem. It merits plenty of thought and it is not too early to start planning how to mitigate it.

PERSONAL SIDE OF THE BUSINESS

John E. Stipp, vice-president, secretary and director of Continental Casualty and Continental Assurance, has been appointed by the Home Loan Bank Board of Washington to serve as a member of the Federal Savings and Loan Advisory Council for 1951.

Roy H. Sheldon, president of Life Underwriters Assn. of Los Angeles, who is with the Russell L. Hoghe agency of Equitable Life of Iowa, is celebrating 34 years with that company.

Donald F. Dickey, Oklahoma commissioner, is the father of a new daughter, named Juhree. Mr. and Mrs. Dickey have two other children, a son Steve and daughter Dianne.

Harry J. Pells, general agent at Denver for General American Life, was nominated by the Denver Post to its gallery of fame for leading the American Legion's "Tide of Toys" campaign for children overseas.

On his 25th anniversary with Continental American Life, Vice-president **Max S. Bell** was presented a gold wrist watch by President Claude L. Benner. Mr. Bell joined Continental American in 1926 as assistant actuary. In 1929 he was named actuary and in 1936 a vice-president. He has been vice-president in charge of agencies since 1942.

J. H. Torrance, vice-chairman of Business Men's Assurance, recently celebrated his 40th anniversary with the company. He is the fourth member of the company to serve that long. Mr. Torrance joined B.M.A., then known as Business Men's Accident Assn., as manager of the claim department and that same year was elected a director. In 1922 he was made vice-president and in 1947, vice-chairman.

Charles J. Zimmerman, associate managing director of L.I.A.M.A., has been named to the board of the Dartmouth business school.

Henry Morrow, editor of the "Log," Life of Georgia agency magazine, has been elected president of Southern Industrial Editors Assn., organization of company magazine editors, affiliated with International Council of Industrial Editors.

E. A. Roberts, president of Fidelity Mutual, has been reelected president, and **Matthew Woll**, president of Union Labor Life, has been named a director, of United Defense Fund, a single package fund raising federation for the support of national defense health and welfare services.

A. M. Anderson, general agent of Pacific Mutual at Ventura, Cal., and author of "Organized Answers to Objections," stopped in at the Cincinnati office of the National Underwriter Co., publishers of the book, for the first time since 1916, when his manuscript was being edited. He has been receiving royalties longer than any other National Underwriter author. Mr. Anderson is on a speaking tour of local life underwriter associations.

Miss Hermine R. Kuhn, general agent, Manhattan Life, has become the first woman to be elected a member of the Life Managers Assn. of greater New York. She has been in the insurance business for more than 20 years.

Ford Taft Is New Wyo. Commissioner

Ford S. Taft has been appointed as the new Wyoming insurance commissioner, succeeding Rodney Barrus. Mr. Taft is a veteran agent for Mutual Life of New York, located at Sheridan. Mr. Barrus resigned as commissioner in order to become Wyoming price administrator.

Ford Taft as he was pictured at Denver convention of N.A.I.C.

The **E. Clare Weber** agency of New England Mutual Life at Cleveland has moved to 509 Euclid avenue.

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OFFICERS: Howard J. Burridge, President. Louis H. Martin, Vice-President and Secretary. John Z. Herschede, Treasurer. 420 E. Fourth St., Cincinnati 2, Ohio.

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KANSAS CITY 6, MO.—605 Columbia Bank Bldg. Tel. Victor 9157. William J. Gessing, Resident Manager.

MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg. Tel. Main 5417. R. W. Landstrom, Resident Manager.

NEW YORK 7, N. Y.—99 John St., Room 1103, Tel. Beekman 3-3958. **Editorial Dept.**—Eastern Editor: A. A. Hoehling; **Assistant Editor:** Donald J. Reap. **Business Dept.** — Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

PITTSBURGH 22, PA.—503 Columbia Bldg. Tel. COurt 2494. Jack Verde Stroup, Resident Manager.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager. John E. Caughman, Pacific Coast Editor.

DEATHS

R. B. COUSINS, JR., 61, who died suddenly at Dallas last week, was the first life insurance commissioner and chairman of the board of commissioners of Texas under the three-man plan adopted in 1927. Previously as assistant attorney general he had helped draft the law creating the new board. He resigned after serving two years of his six-year term to become president of San Jacinto Life of Beaumont, which he organized. That company was reinsured in 1932 by Great Southern Life. At the time of his death he was a director of Century Life of Fort Worth.

GARLAND AMES BUCKINGHAM, secretary of the insurance section of New York Board of Trade, died at LeRoy Hospital. He was stricken at his residence in the George Washington Hotel at New York City. His age was 64.

Mr. Buckingham was known throughout the insurance industry and was one of the most prominent lay figures in Albany.

Mr. Buckingham was a full time employe of the insurance section and was widely known among legislators and was very successful in arranging the meetings of the section, notably the big luncheon each year.

WESLEY O. FLATEN, 42, manager at Chicago for Equitable Society since last April, died at Daytona Beach, Fla. He suffered a heart attack last June from which he never fully recovered. He began his career with Equitable in 1931 as an agent at Duluth following graduation from Carleton College. He was appointed manager at Minneapolis in 1939 and developed one of the outstanding units. He received the company's "Old Guard" award as outstanding manager in the country in 1948.

W. O. Flaten

The body of **JOHN M. PETRIE**, veteran insurance publicist, was found in the Tennessee river near Chattanooga. His age was 57. He had been in veterans hospital at Nashville and some of his former associates had received some despondent messages from him lately.

Mr. Petrie was with the Louisville Courier-Journal from 1914 to 1916 and then after serving in the first war he went with the Insurance Field as eastern editor at New York. In 1920 he went with George W. Wadsworth of Chicago who had just bought the American Insurance Digest and he remained with that publication until 1942. Then for several years he was with Continental Casualty in the A. & H. publicity department at the head office, and from 1946 to 1948 he operated a district agency for the A. & H. department of Continental Casualty at Chattanooga. A brother, Charles B. Petrie, was formerly with the Spectator.

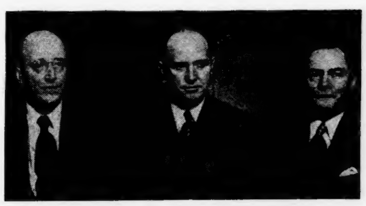
ARTHUR G. EWING, 64, former president of American Life & Accident, died at Miami.

MISS A. MAUDE ROWLAND, who was a member of the secretarial staff of three presidents of Travelers, died Monday after a long illness. She joined Travelers in 1918 an spent her entire insurance career as a secretary to Louis F. Butler, L. Edmund Zacher and Jesse W. Randall. As a result of her long service with these top executives she was well known to many in the insurance field.

Vote to Bar IWO in Mass.

BOSTON — The Massachusetts senate has voted to go along with the house in approving legislation to revoke the license of the International Workers Order to sell insurance in Massachusetts on the ground that it is a Communist-front organization. The revocation bill was filed by Rep. Edmond J. Donlan who also sponsored the current legislative investigation of the Communist party and red-front activities.

New Supervisors



Appointed as departmental supervisors by Massachusetts Mutual Life are, left to right, George A. Guyett, benefit department, Frank W. Thayer, registry department, and Carl M. Kinney, auditing department. Mr. Guyett joined the company in 1911 in the policy department and went to the benefit department in 1918. Mr. Kinney joined the auditing department in 1942. He is a veteran. Mr. Thayer joined the registry department in 1928 and is also a veteran.

OBSERVATIONS

Inflation Drive Results

Home Life's recently announced all-out campaign against inflation seems to be having an effect, judging from a sampling of letters coming into the home office.

Interestingly enough, the only criticisms have been that the company's sentiments on inflation and recommendations for action should be even stronger. Agents and policholders alike are being urged to start the ball rolling by writing letters to Washington, and through other measures.

Asks Annual Report Criticism

The complete and carefully edited annual report to policyholders of Guardian Life this year encloses a business reply card on which the policyholder or other reader of the report can indicate his general reactions to the booklet. By check marks the reader can show whether he found the booklet interesting and understandable or dull and complicated. This is another example of the strong consciousness on the part of some insurance companies that their annual report booklets must be bright, attractive, and intelligible to the layman.

Show Most Oldsters Are Poor

Very potent data for the life insurance man was developed in the "Pilot's Log," New England Mutual Life field magazine, from material furnished by the U. S. census bureau. This material showed that out of every 100 men age 65 and over in 1948, 56 had incomes less than $1,000 a year. This figure did not include men in charitable institutions. It was developed that while 40% of these oldsters had incomes between $1,000 and $5,000, only 4% had more than $5,000 and 11% admitted themselves to be penniless.

I.W.O. Problem Troubles States

State insurance commissioners are very much concerned with what to do with International Workers Order which publishes considerable Communist literature. In the February issue of "American Legion" magazine there is a strongly worded article describing the activities of I.W.O., against which suits have been filed in New York and Illinois charging the fraternal with misuse of funds to promote Communist propaganda. The American Legion article comments that the insurance departments of New York and Illinois are "belatedly" doing something about the organization. However, the article chides the 17 other states where the fraternal operates for not taking similar action.

Articles such as this are enough to give any insurance superintendent the willies. However, the commissioners are puzzled because there is nothing in the laws of any state which gives the insurance department jurisdiction or any control over non-insurance literature published by the fraternals. The insurance commissioners are in a dilemma. If they do nothing, they are subject to criticism. If they attempt to tighten up on their control of the fraternals in general, they incur the wrath of other fraternalists.

Socialized Medicine Danger

Many life executives are worried that there could be enough "misguided public sentiment" to push through federal health insurance. In spite of efforts of the American Medical Assn. and other groups, it is felt that there is a great deal of opinion in favor of socialized medicine.

A certain immediate appeal is believed to blind a great many persons toward the future consequences of such a program. But many people do not seem to realize the waste of medical care under such a plan, as illustrated so strikingly in England.

In spite of this tendency of the public together with the administration's effort to slide socialized medicine through under the guise of defense necessity, life insurance people still hope that the opposition will continue to be vocal enough to rule out enactment of any such plan.

Flu Slows Life Business in N. Y.

The New York area has been rather hard hit by the influenza wave. Although definite figures are not available, all life companies and agencies reported that many more persons than normal at this time of year have been absent because of illness. Time out seemed to vary from two days to a week or more. Many appointments were postponed and in some instances even conferences cancelled because key agents and other personnel were ill.

New York Life has purchased $512,000 of West Virginia Water Service Co. 3⅛% first mortgage bonds due in 1979.

LIFE AGENCY CHANGES

Mutual Life Assigns Tyner to Cleveland as Manager

Gage Tyner has been named manager at Cleveland for Mutual Life. He succeeds Edward C. Danford, who has been advanced to the home office as superintendent of agency development.


Gage Tyner

Mr. Tyner joined Mutual Life in 1946 at Hartford. He was appointed assistant manager in 1948 and in 1950 was advanced to training assistant at the home office. He served in the air force.

Ebbage to Bankers, Neb.

Bankers Life of Nebraska has appointed Ray A. Ebbage general agent at Sacramento. He entered life insurance in 1936 after brief sales experience with Procter & Gamble in Sacramento. He is an army veteran. He has operated a general insurance agency in Sacramento for some time.

J. F. Cremen, Mass. Mutual, Retires from D. C. Post

John F. Cremen, general agent for Massachusetts Mutual at Washington, D. C., for 33 years, has retired because of ill health. His successor will be announced soon.

Mr. Cremen started in life insurance in Baltimore in 1908. He joined Massachusetts Mutual as general agent at Washington in 1918. He is a past president of the District of Columbia Life Underwriters Assn. and of the general agents and managers association. He was general chairman of the National Assn. of Life Underwriters convention in Washington in 1929 and N.A.L.U. secretary in 1930. In Massachusetts Mutual he served from 1930 to 1946 as secretary-treasurer of the general agents association and is now a life member of the association's executive committee.

Great Southern Names Ragsdale

Great Southern Life has appointed Frank E. Ragsdale manager at Waco, Tex. Following a year's service with American Service Bureau in Waco, he joined his father's agency there in 1935. Four years later they were appointed co-managers for Security Life & Accident. At the death of his father in 1947, he became sole manager. He is a war veteran and is secretary-treasurer of the Waco Life Underwriters Assn.

Prudential Names District Managers at Three Cities

Ralph J. Reichenbacher has been appointed manager of the Prudential district office at Des Moines in place of Henry L. Hanson, retired. Mr. Reichenbacher joined Prudential in 1936 at Naperville, Ill. He was advanced to staff manager at Aurora and since 1947 has been directing the Downers Grove detached office.

Ransom L. Hassel, has now been appointed Richmond district manager. Mr. Hassel joined Prudential in 1933. He was advanced to staff manager in 1935 at Cleveland and then went to Miami. Mr. Hassel is a C.L.U. and an L.U.T.C. instructor.

Harold J. Theisen has become manager at Pueblo, Col. He started with Prudential at Denver in 1934. He was promoted to assistant manager in 1935 and was advanced to training consultant at the western home office in 1949. He was in the navy.

Mr. Theisen succeeds Norman C. Downer, who has been transferred to Denver as manager of the Cherry Creek district. He succeeds William A. Barton who is retiring after 42 years of service.

Names Vigil at Antonito

Capitol Life has appointed Patrick Vigil general agent at Antonito, Col. He joined the company in 1936 and has been with the H. J. Rigden agency at Denver. He has recently qualified as a member of the Million Dollar Round Table.

Group Office at Jacksonville

John Hancock has opened a new group office at Jacksonville, Fla., with Clifford C. Marshall as manager. The office will handle Florida and southern Georgia.

After graduating from University of Georgia in 1949, Mr. Marshall joined the Atlanta group office of John Hancock. He is a navy veteran.

W. R. Miller Group Representative

General American Life has appointed Walter R. Miller group representative in a newly created group territory in the Memphis area. He has been in the same capacity at San Antonio. Dale A. Skelton replaces Mr. Miller there.

The **Schuller agency** of Lincoln National Life at El Paso, has moved to 528 East Yandell boulevard.

Life & Casualty Changes

Life & Casualty has made these managerial changes: J. E. Kay, manager at St. Louis, becomes manager at Memphis. Nelson Burton, manager at Memphis, has resigned to devote his full time to a recently purchased farm. N. Q. Wright, manager at Springfield, Mo., becomes manager at St. Louis. Victor Barbero, superintendent at St. Louis, becomes manager at Springfield.

New Regional Chiefs Named

John Hancock has appointed Andrew A. Adinolfi, district manager at Erie, Pa., regional manager in the north central territory. The present regional manager, Richard F. Empie, will become district manager at Erie.

Thomas B. McRann, now an assistant manager at Yonkers, N. Y., will become a regional supervisor in the greater New York territory.

Boeye Leaves Morrison Co.

Adolph N. Boeye has resigned as manager of the life insurance department of the S. T. Morrison & Co. general insurance agency at Iowa City. Illness in the family has required Mr. Boeye to reside in a dry, warm climate.

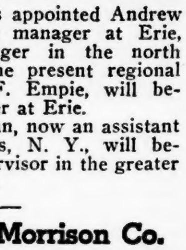
Lamar Appoints Managers

Lamar Life has named Karl E. Faser manager at Baton Rouge. Joseph E. Stokes has replaced L. O. Palmer as manager at Clarksdale, Miss., and Charles P. Carriere, Jr., who has been in the insurance business in Crescent City for 25 years, becomes manager there.

Great-West Life has transferred R. L. Foster, group representative at Toronto, to Hamilton, Ont., and R. J. McAlpine, group representative, from Winnipeg to Toronto.

To Savannah Post

Life of Virginia has opened an ordinary agency at Savannah, Ga., and named Simpson Booker Walton manager. He has been associate manager at Albany, Ga. Prior to joining Life of Virginia, he was with Penn Mutual and Equitable Society.


S. B. Walton

ASSOCIATIONS

N.Y.C. Assn. Learns Defense Role as Volunteer Force

The New York City Life Underwriters Assn. was acquainted with its part as a volunteer organization in the civil defense program by Grover A. Whalen, coordinator of recruiting and public information and Mrs. Rose Lehman Stein, chairman of the speakers' bureau. The meetings were arranged by a series of conferences between Mr. Whalen, Timothy W. Foley, chairman of the association's civil defense committee; Jack R. Manning, association executive manager; Richard E. Imig, N.A.L.U. director of the association development, and Wilfrid E. Jones, N.A.L.U. director of public relations.

Expect 400 at Columbus

More than 400 are expected to attend the sales congress of Columbus (O.) Assn. of Life Underwriters Friday. Herbert J. Loechler, sales congress chairman, will preside at the morning session, and President W. B. Hoyer, John Hancock, at the luncheon, when Louis B. Seltzer, editor of the Cleveland Press, will speak. Other speakers will be David B. Fluegelman, Northwestern Mutual, New York, N.A.L.U. secretary; Don Ross, merchandising manager Successful Farming, and Deal H. Tompkins, Northwestern Mutual. Charleston, W. Va.

To Hear Sass at Chicago

George A. Sass, sales and advertising executive of Indianapolis, who spoke at the national convention at Washington of National Assn. of Life Underwriters, is booked to address the annual sales congress of the Chicago association, April 13. Ferrel M. Bean, John Hancock, and Gilbert Tosch, Prudential, are co-chairmen of the congress.

Hutchinson, Kan.—Members of the trophy-winning Hutchinson high school debate team were guests at the February meeting. On the team was Pam Vickers, daughter of Ed Vickers, Metropolitan, secretary of the Hutchinson association.

Detroit—The women's group heard Caroline Hood, director of public relations of Rockefeller Center, speak on "Human Relations in Business—a Must."

North Platte, Neb.—Members heard an informal discussion on bills before the house and senate on new recruits in the armed forces.

Hastings, Neb.—Mrs. Verna Rankin of the district social security office spoke on "Expanding Social Security Laws." She commended agents for their work in explaining these laws to the public.

St. Joseph, Mo.—Charles Dan Hale, St. Joseph attorney, discussed estate planning and taxation.

Victoria, B. C.—D. Lawton, Great-West Life, has been elected president; vice-president is D. Meredith, Dominion Life, secretary is M. W. Park, Imperial Life, and treasurer is W. J. Farnsworth, Sun Life of Canada.

Sioux Falls, S. D.—Preparation and education determine the degree of success in the life insurance business and a good agent must possess a sympathetic attitude toward people and their problems in order to offer a practical solution to those problems, said A. Jack Nussbaum, Massachusetts Mutual Life, Milwaukee.

Washington, Pa.—This branch of the Pittsburgh association on March 14 will hear Don C. Blackwood, National Life of Vermont, speak on "Selling is Fun."

Uniontown, Pa.—The Fayette county branch of the Pittsburgh association on March 13 will hear William F. Leax, Reliance Life, speak on "The Joy of Labor."

Would Amend Wis. State Fund

MADISON, WIS.—As an aftermath of a situation where a Milwaukee Negro was denied a policy in the State Life Fund because of his race, a bill has been introduced in the legislature asking that state life insurance be made available without regard to race, color, creed or religion.

While removing that question of eligibility, the bill provides that higher premium rates may be charged for substandard risks, determined solely as the result of physical examination.

In the suit now in court, the Negro charges discrimination but the state declared the application was denied because the life expectancy of Negroes is shorter than that of white persons.

Agency Meeting Book Is Out

"The How of Agency Meetings," a book to help managers plan and conduct more effective agent conferences, has been published by L.I.A.M.A. Most managers plan meetings every week or month, and the book is intended as a guide for keeping meetings at a high level of interest.

The book tells how to plan in advance for the meeting and how to prepare the subject matter Almost 100 program suggestions are listed. A chapter on "Preparing Your Meeting Room" points out the many physical details which contribute to the success of a meeting. A number of tips on visual "props" are given, as well as some on note-taking techniques.

MANAGERS

More Than 150 Attend Parley at Columbus, O.

More than 150 life managers and general agents attended the life agency management conference at Columbus, sponsored by Ohio State University and seven Ohio managers, associations. Recruiting was the general theme. Outside speakers included Joseph H. Reese, Penn Mutual, Philadelphia; Sayre MacLeod, vice-president of Prudential; M. Paul Abbott, Ins. Co. of North America, Philadelphia, and E. C. Danford, Mutual Life, Cleveland. Luncheon speaker was H. R. Kieth, International Business Machines Corp., Detroit.

Winnipeg Managers Elect

Thomas W. J. Irwin, Confederation Life, has been elected president of Winnipeg Life Managers Assn. Vice-president is Myer Yackness, Metropolitan. Karl F. Wintemute, Aetna Life, is secretary.

Fort Worth life managers heard Ralph Stowell, Republic National Life, and Art Wier, Franklin Life, review several chapters from the O. Sam Cummings book on agency management.

Los Angeles cashiers will see the film, "Jungle Bread," depicting scenes in Dutch Guiana, March 15.

Victor Langen, Mutual Life, spoke on "Social Security" at the March dinner meeting of **Milwaukee cashiers.**

General Agents Have Parley

The annual meeting of Pacific Mutual's Agency Assn. is being held at Cincinnati this week, with 51 general agents and 10 home office officials in attendance, headed by Asa V. Call, president. E. S. Rappaport, Chicago, president of the general agents' group, and H. S. Gantz, Cincinnati, chairman, are presiding.

Seek Ohio Security Fee

A bill has been introduced in the Ohio senate which would require life companies to pay fees for valuing securities to the superintendent of insurance. The money would in turn be paid to the committee on valuation of securities of N.A.I.C.

NEWS ABOUT LIFE POLICIES

New York Life to Use War Clause on Military Issues

A results type war and aviation clause in new policies will be used by New York Life, beginning March 12. The clause will be used primarily in policies issued to applicants who are either in military service or who have been notified to report. By far the great majority of policies will continue to be issued without such a clause.

The aviation conditions in general provide full passenger aviation coverage in the "home areas," except in aircraft being used for military or aviation training or practice purposes. Outside the "home areas" aviation coverage is generally provided only where the insured is a passenger in a passenger aircraft operated by a governmentally certificated, scheduled carrier, but which is not operated for any military force. For an extra premium the policy may provide full aviation coverage for the face amount within the "home areas."

"Home areas" are the U. S., its possessions, and Canada.

Prudential Lifts Ban on Writing Aviation Cover

Aviation extra premium coverage, which Prudential stopped writing last July, again is being offered. Complete coverage, upon payment of extra premiums, is available to pilots and crew members who are 35 years of age or older and who are not subject to a military aviation hazard. Fliers who are less than 35 and fliers who are subject to a military aviation hazard, will be offered full coverage in the "home areas" and coverage in commercial passenger aircraft outside the "home areas."

While this is essentially "home areas" coverage—that is, limited to the United States, Canada and Hawaii—complete protection is provided for pilots and crew members on scheduled commercial overseas flights. Only when such flights become military operations is coverage suspended.

Phoenix Mutual Now Writes Double Indemnity on Flying

Phoenix Mutual is extending its double indemnity coverage to include all usual types of passenger flying. Exceptions are if insured's death results from flights for training, testing, experimental or military purposes, or when the insured acts in any capacity other than passenger. It automatically covers all policyholders insured under policies with former double indemnity provisions.

The company also has revised its family income provision to permit issuing a policy with family income on only a portion of the basic amount. This portion must be at least $2,000 if for 15 years, and at least $1,500 if for 20 years. The portion of the policy with family income and the portion without it must be payable to the same beneficiary unless the commuted value is elected.

Pilot Juvenile Control

Pilot Life has through a control provision simplified the handling of a juvenile policy where the applicant dies before the child is 21.

The control of policy clause makes it possible for the applicant during his lifetime to name the person who will automatically take control of the policy in the event of his death. This rider can be added to policies now in force and to new policies.

Girard Juvenile Change

Girard of Texas is now issuing juvenile insurance with full immediate death benefit, except that for insurance age 0, the ultimate sum insured is not reached until the first anniversary of the policy. The payor agreement, which may be attached to any juvenile insurance policy at date of issue, provides that in the event of the death of the payor during the premium paying period and before the policy anniversary nearest age 25, future premiums falling due before such anniversary will be waived.

Adds Mortgage Redemption Plan

Midwestern United Life is now issuing a mortgage redemption plan. Each unit of the plan provides for $5,000 of life insurance during the first year. This amount is reduced by $150 each year for the 10 succeeding years and then by $200 each for the following 10, reaching $1,500 during the 21st year and continuing thereafter at that amount.

The plan will be issued in amounts from $5,000 to $200,000. It may be issued with waiver of premium disability and double indemnity benefits subject to the usual underwriting rules.

AMONG COMPANY MEN

A. B. Olson Becomes Agency Vice-president of World

A. B. Olson, who retired Jan. 1 as vice-president of Guarantee Mutual Life under the company's retirement plan, has become agency vice-president of World of Omaha. Mr. Olson has been in life insurance work for 36 years, starting as a personal producer in 1915. He became a general agent in 1927 and served as manager of agents of Bankers Life of Nebraska before joining Guarantee Mutual. He was named agency manager of that company in 1935, agency vice-president in 1937 and vice-president in 1945. He has been very active in company organization work.


A. B. Olson

In addition to Mr. Olson, the agency department of World now includes Earl C. Walton, manager of sales research, who has conducted a series of very successful agency training schools the past year, and E. J. Willis, promotion manager, who is in charge of advertising and promotion and is editor of the company's agency magazine.

McLellan, Cogswell Assume New England Mutual Posts

New England Mutual Life has appointed E. Robert McLellan to the newly-created post of supervisor of agency finance, and Dean E. Cogswell has been appointed personnel manager.

Mr. McLellan has been assistant auditor. He is a graduate of Dartmouth and Harvard business school. He has been with the company for 15 years and is a navy veteran.

Mr. Cogswell has been assistant manager of the underwriting department. He succeeds Earl B. Webb who has resigned to go with a Boston food chain. Mr. Cogswell will not assume his new duties until June 1 as he is on a leave of absence to participate in the loan fellowship program at Massachusetts Institute of Technology.

Cook Is Made 2nd V.-P. of Columbian National

Henry W. Cook, Jr., has been advanced from assistant secretary to 2nd vice-president of Columbian National Life. Mr. Cook has been chief underwriter since he joined the company in 1945.

Following graduation from Princeton University, Mr. Cook started with the actuarial department of Northwestern National. During his 10 years with that company he collaborated with his father, the late H. W. Cook, then Northwestern's medical director, in writing the well-known book, "Issued as Applied For."

Lincoln Companies Elect

W. S. Henrion has been elected vice-president and treasurer of Woodmen Accident and Central Assurance, and O. C. Wood has been elected claims vice-president. Mr. Henrion has been treasurer of the companies and Mr. Wood has been superintendent of claims. Elected directors were George Abel, Jr., Abel Construction Co., and Walter W. White, publisher of the "Lincoln Star," both of Lincoln, Neb.

Dr. C. R. Henry Retires

Dr. Charles R. Henry, medical director of Provident Life & Accident since 1929, has retired on pension and is succeeded by Dr. William R. Bishop, former assistant medical director of Jefferson Standard Life. Dr. Henry's last official act according to President Robert J. Maclellan, was the selection of his sucessor. The retiring director was presented an engraved watch at a ceremony in President Maclellan's office.

Rees Retires from Midland Mutual; Three Appointed

John D. Rees, sales promotion director for Midland Mutual Life, has retired. During his 41 years with the company he also served as auditor, assistant secretary and editor of publications.

Junior officers appointed are Richard G. Rink, assistant actuary; Samuel E. Stone, supervisor general accounting division; and Fred E. Stewart, supervisor premium accounting division. H. Bartley Arnold has been elected a director to succeed the late Fred Vercoe, Sr.

Opens Two Miami Offices

Gulf Life has opened two new offices at Miami. District managers are James M. Harrison and Harry Truett.

Aanenson, Bingay Shifted to Mutual's Home Office

Mutual Life has named Quentin C. Aanenson and James S. Bingay training assistants at the home office, effective April 1.

Mr. Aanenson joined the New Orleans agency in 1948 and was named assistant manager in 1949. Mr. Bingay joined the Seattle agency in 1945 and has been assistant manager there since 1949. Both are veterans of the last war and members of the Mutual Top Club.

Bankers, Neb., Raises Four

Bankers Life of Nebraska has promoted Charles R. Drake to manager of the securities section; J. H. Hopkins to attorney; F. R. Shugrue to manager of the mortgage section and D. L. Seiverling to agency assistant.

Dotts Heads New Division

Richard D. Dotts has been named manager of Pacific Mutual Life's newly created policy payments department. That department will consolidate procedures heretofore handled in several other divisions of Pacific Mutual's home office.

Mr. Dotts, with Pacific Mutual since 1939 except for three years in the navy, for the past four years has been personnel and methods analyst.

Wong Now Executive Ass't to U. S. Life President

Clifford Wong has been appointed executive assistant to Richard Rhodebeck, president of United States Life.

Manager of the company's planning and methods department since 1948, Mr. Wong joined U. S. Life in 1940. Following army service he was made assistant to the manager of planning and methods department.

Rosenthal Gained 152%

The paid-for production of the Rosenthal agency in Chicago of Guardian Life was 63% greater in 1950 than in 1949. There are indications that 1951 will be an even bigger year with paid-for business for the first two months 152% greater than for the first two months of 1950.

SALES MEETS

B.M.A. Has Managers Rally

Business Men's Assurance held a three-day managers and supervisors conference at Terre Haute, with about 30 persons attending. Sales, recruiting and training plans were discussed.

The home office was represented by J. W. Sayler, vice-president in charge of sales; C. M. Barricklow, assistant to the vice-president, and Lile Hopkins, sales assistant.

Life of Ga. Rally April 8-11

Life of Georgia's 60th anniversary convention will be held at the Vinoy Park Hotel, St. Petersburg, Fla., April 8-11, with about 370 in attendance. So far 11 district managers, 20 staff managers and 115 agents have qualified for themselves and their wives.

Minn. Mutual Regional Dates

Minnesota Mutual will hold its 1951 regionals July 8-11, Colorado hotel, Glenwood Springs, Col.; July 11-14, Claremont hotel, Berkeley, Cal.; July 19-22, Homestead, Hot Springs, Va. and July 22-25, Edgewater Beach hotel, Chicago.

ACCIDENT

Elect Dibble at Los Angeles

Fred Dibble, Jr., Provident Life & Accident, is the new president of Los Angeles A. & H. Underwriters Assn. Joseph Silverstein is first vice-president; Charles Wise, Continental Assurance, second vice-president; L. J. Jacobson, Occidental Life, secretary-treasurer.

Speaker at the election meeting was A. R. Krausse, Krausse & Co., London Lloyds representatives, who talked on Lloyds operations.

To Publish A. & H. Directory

A directory of members of A. & H. Underwriters of Milwaukee will be published April 1, listing each member with his address and telephone number, and the officers. A listing of voluntary A. & H. hospital and surgical, loss of time plans and miscellaneous benefits available also will be included.

Bert A. Hedges, Business Men's Assurance, Wichita, Kan., discussed "We Need Props for Our Good Intentions" at a meeting of **St. Louis Assn. of A. & H. Underwriters.**

Warning Is Given on N.A.I.C. Accomodations

To insure adequate accommodations for the annual meeting of N.A.I.C. at Swampscott, Mass., the convention committee urges those planning to attend to make their reservations at once.

Because other organizations have scheduled meetings in the Boston area at the time of this convention, June 3-6, the N.A.I.C. convention committee will be unable to assure adequate accommodations to persons registering after April 1.

The registration fee of $15 for men and $7.50 for women and children should be sent immediately to the convention committee, Back Bay Post Office Box 111, Boston 17.

The convention will be held at the New Ocean House, Swampscott. Reservations are being taken for that hotel also for a second ocean-front hotel in Swampscott, and for the Statler, Copley Plaza and Kenmore at Boston.

Rumor Perlet to Change

WASHINGTON — It is understood Harry Perlet, assistant manager of its insurance department, will soon leave the U. S. Chamber of Commerce to take an out-of-town position.

COMPANIES

Occupies New Home Office

Midwestern United Life is now in its new home office at Fort Wayne, Ind., occupying the entire fifth floor of the building that was purchased last October by Midwestern Realty Corp., made up principally of stockholders of the insurer.

The five-story fireproof brick structure was remodeled in 1946. It has a private parking lot with facilities for 35 automobiles and a five-car garage.

Cal-Farm Life Seeks License

Cal-Farm Life of Berkeley has applied for a permit to sell 275 shares of its $1,000 par value stock at $2,000 per share, to Cal-Farm Investment Co., to net the company $550,000, and has also applied for license, as soon as the stock sale is completed, to write life and disability insurance in California.

Colonial Pays $1 Extra

Colonial Life has declared an extra divivend of $1 per share along with the regular dividend of $1, payable March 12 to stock of record March 5.

Department Backing 13 Insurance Bills in W. Va.

Commissioner Crichton of West Virginia is sponsoring 13 bills in the legislature this year, with chances of passage of 12 considered fairly good.

Up for consideration by the special calendar committee in the house is the group life bill approved by National Assn. of Insurance Commissioners with the modifications that dependents of employes or members of unions, or any other groups eligible by need for insurance and presenting proper underwriting standards and representing a group which would not be considered discriminatory against the individual insurance buyer, be considered for group cover.

"Ad" Bill Passed by House

A bill also on the special calendar would require fraternal insurance agents to be licensed.

Another measure would provide for suspension of a company's license for cause, enlarging the present law to include financial difficulties as a reason for suspension.

A bill to require advertisements of insurance companies to indicate whether such a company is licensed in West Virginia has passed the house and is now in senate committee, as is the unauthorized insurers service of process act, the model bill.

Also through the house is a measure providing that companies examined by the state pay the examination expenses. The payment feature of the examination bill, which has been on the books since 1872, got dropped out during a revision of the section a few years ago.

Another bill would provide for examination expenses in the case of nonprofit hospital and medical service organizations, as would another providing for the examination of farm mutual fire companies.

The department is also sponsoring a bill providing for the submission of all life policy forms for approval by the department as is done with fire and casualty.

The department is also backing a minor administrative bill allowing nonprofit hospital and medical plans 90 days in which to account for their funds when paying hospitals or physicians. The present law allows only 20 days. This bill also has passed the house.

Robert H. Tebow has been appointed supervisor in the Earls agency of Mutual Benefit Life at Cincinnati. Mr. Tebow has been with Aetna Life at Cincinnati for four years. He is an air force veteran.

Text of Section 213 Revision Proposal

(CONTINUED FROM PAGE 1)

sents the distribution of the policies and annuity contracts then being issued by the company, he may require submission of additional evidence on the basis of a current fair sample; and he may withdraw approval of such scale or plan if such additional evidence indicates that the limitations prescribed by this section are being exceeded; provided, however, that if the limitations prescribed by this section are not exceeded on the basis of the current fair sample and the interest rates, policy discontinuance rates and agent discontinuance rates in effect at the time of the approval of such scale or plan, no change shall be required in then existing contracts for service as an agent, and provided further that such withdrawal of approval shall not in any event require change in compensation or security benefits with respect to business writen prior thereto.

(c) All commission scales and other plans of compensation or of security benefits in use immediately prior to Jan. 1, 1952, by companies then authorized to issue policies or annuity contracts in this state shall be deemed to comply with the requirements and limitations prescribed by this section, unless the superintendent shall determine that any such commission scale or other plan of compensation or of security benefits needs current justification, in which event he may proceed under paragraph (b) of this subsection as though such commission scale or other plan of compensation or security benefits had been approved by him under paragraph (a) of this subsection as of Jan. 1, 1952.

Formula Is Given

3. No company shall pay, on premiums or stipulated payments for the first 15 years of policies, other than monthly debit policies, or annuity contracts, commissions at such rates as will produce, for the fair sample provided for in subsection two, (i) a commuted value of all such commissions in excess of the sum of items (a), (b), (c), and (d), or (ii) total first year commissions in excess of the sum of (c) and (d) and two-thirds of (a) and (b): (a) on premiums other than single premiums, the commuted value of 10% of the premiums for the first 15 years of insurance less the commuted value of 4% of the excess, if any, of the premiums for the first 15 years over the corresponding premiums for a whole life policy with level premiums payable during life calculated on a basis consistent with the premium for the policies for which the commuted value is being determined; (b) on stipulated payments other than single stipulated payments, the commuted value of 6% of the stipulated payments for the first 15 years of the annuity contract; (c) on single premiums and single stipulated payments, 3% thereof; (d) one dollar for each $1,000 of new life insurance.

55% First-Year Limit

4. No company shall pay on any policy, other than a monthly debit policy, or on any annuity contract (a) a commission for the first year of the policy or contract in excess of 55% of the premium or stipulated payment, (b) a commission for any subsequent year of the policy or contract in excess of 20% of the premium or stipulated payment for that year, (c) commissions for the first 15 years of the policy or annuity contract with a commuted value in excess of the commuted value of 10% of the premiums or stipulated payments for such 15 years, except term insurance providing for less than 15 annual premiums, or (d) on term insurance providing for less than 15 annual premiums, commissions with a commuted value, expressed as a percentage of the first year premium, in excess of the corresponding percentage permitted for a term policy with premiums payable for 15 years.

5. On other than monthly debit policies a company may pay compensation in whole or in part under a plan other than commissions and may provide security benefits, but in no event shall the sum of the commuted value, determined on the basis of the fair sample provided for in subsection two, of (a) commissions on premiums or stipulated payments for the first 15 years of policies or annuity contracts, (b) other compensation, excluding (1) training allowances treated as agency expense under the provisions of subsection 10, 11 and (2) compensation provided under subsection six, and (c) the cost of security benefits, excluding (1) security benefits provided under subsection six and (2) security benefits treated as agency expense under the provisions of subsection 11 exceed in the aggregate the commuted value of all commissions permitted by subsection three.

Limitations After 15 Years

6. No company shall pay on policies, other than monthly debit policies, or annuity contracts compensation after the first 15 years of the policies or annuity contracts which, determined on the basis of the fair sample provided for in subsection two, shall exceed 3% of the premiums or stipulated payments payable after such first 15 years, except that any excess of compensation and cost of security benefits permitted by subsection five over compensation actually payable and cost of security benefits actually provided thereunder may be paid after such first 15 years. The commuted value of the compensation permitted by this subsection, less the commuted value of any such compensation actually payable, may be used to provide or augment security benefits.

7. In the case of monthly debit insurance no company shall pay commissions at such rates as will produce, for the fair sample provided for in subsection two, (i) a commuted value of all commissions in excess of the sum of items (a) and (b), or (ii) total first year commissions in excess of (a) 55% of first year premiums; (b) the commuted value of 6¾% of all premiums.

On monthly debit policies, a company may pay compensation in whole or in part under a plan other than commissions and may provide security benefits, but in no event shall the sum of the commuted value, determined on the basis of the fair sample provided for in subsection two, of (a) all commissions, (b) other compensation, excluding training allowances treated as agency expense under the provisions of subsection 10, and (c) the cost of security benefits, excluding security benefits treated as agency expenses under the provisions of subsection 11, exceed in the aggregate the commuted value of all commissions permitted by this subsection.

8. No increase in compensation or security benefits based on policies or annuity contracts issued after Jan. 1, 1952, may be made after such policies or annuity contracts are in force unless the limitations prescribed by this article would not have been exceeded had such increase been included in the plan of compensation or security benefits with respect to such policies or annuity contracts as of their commencement date.

9. No company shall make any loan or advance to an agent without taking adequate collateral security. Such security may be first-year commissions earned or to be earned by the agent or other commissions of payable after termination of active service. Such advances in any calendar year less repayments of any advancements in such year shall not exceed in the aggregate the greater of (1) one dollar for each $1,000 of new insurance paid for during the year and in force at the end of the year, but not to exceed the amount determined by applying to the first year premiums and stipulated payments received during the year the first-year commission margin, expressed as a percentage of such premiums and stipulated payments, which was produced when evidence that the company's plan of compensation falls within the limitations contained in this section was furnished to the superintendent in accordance with subsection two or (2) $15,000.

Training Allowances

10. Reasonable training allowances to new full time agents soliciting business primarily for only the company granting such allowance may be paid in

addition to any allowances included in compensation under other subsections, provided that (a) such allowances do not extend beyond the first three years of the new agent's services with the company as agent and are according to a plan approved by the superintendent; (b) no compensation other than first-year commissions is payable to the new agent after termination of his service with the company on business written during the period while he was receiving such an allowance; (c) the amount of such allowances in any calendar year to all such new agents does not exceed the aggregate the greater of: (1) 5% of the agency expense limit for preceding calendar year, as prescribed by subsection two of section 303, or (2) 30% of the first year premiums and stipulated payments, excluding single premiums and single stipulated payments, paid during the current calendar year on business written by new agents while receiving such allowances and (d) such allowances are included as agency expenses in paragraph (b) of subsection one of section 303; (e) no agent shall be considered a new full-time agent under this subsection if for more than six months during the five years immediately preceding the commencement of his service with the company as agent he has been a full-time life insurance agent.

Limits on Security Benefits

11. Security benefits may be provided or paid to agents in addition to any allowances included in compensation under subsections three, four, five, six and seven, provided that (a) the cost of such benefits are included as agency expenses in paragraph (c) of subsection one of section 303; (b) the cost of such benefits in any calendar year does not exceed in the aggregate 5% of the total compensation permitted under subsections three, four, five and six, on policies, other than monthly debit policies and subsection seven on monthly debit policies.

12. In the case of agency office personnel who are responsible for supervision of agents or agency offices and who assist agents in the joint solicitation of business without division of commissions, that portion of their compensation which is allocable to such joint solicitation may be treated by the company as compensation to agents for the purposes of this section, provided that the amount so treated does not exceed 5% of aggregate first year premiums and stipulated payments.

No Valuable Prize

13. No company shall pay for service as an agent any bonus, prize or reward or any increased rate of compensation for the first year of a policy or annuity contract based upon volume of new business or number of new policies, but may award tokens having small intrinsic value in recognition of success in contests when awarded, not as compensation, but as bona fide recognition of merit.

Section 303—Limitation on agency expenses:

1. The following shall be agency expenses: (a) compensation of all agency office personnel including agency managers and others responsible for supervision of agents and agency offices but excluding, except as otherwise provided in paragraph (b) of this subsection, such compensation as is based on service as an agent and such as is treated as compensation to agents in accordance with subsection 11 of section 302; (b) those training allowances to new agents paid under subsection 10 of section 302; (c) the cost of security benefits paid or provided under subsection 11 of section 302; (d) cost of security benefits for agency office personnel other than benefits based on service as an agent; (e) travel, rent and other expenses of agency offices not included or excluded by other paragraphs of this subsection; f) cost of agents' and agency managers' conventions; (g) compensation, other than that based on service as an agent, and expenses of persons on the home office or regional office staffs who spend more than one-third of their time in the field in connection with either the production of new business or agency supervision or both, other than in connection with audits or the medical examination or inspection of risks or proposed risks; (h) 60% of the expense of advertising.

Factors in Agency Expense Limit

2. The agency expense limit shall be the sum of the following: ((a) either (1) 20% of the first year premiums or stipulated payments received during the year, excluding single premiums and single stipulated payments, or (2) 10% of such first year premiums and stipulated payments plus $3 for each $1,000 new insurance and each $100 of annual income under new annuity contracts paid for during the year and in force at the end of the year, whichever is the greater; (b) 1½% of single premiums and single stipulated payments received during the year; (c) one dollar for each policy, other than monthly debit policies, and each annuity contract in force at the end of the year on a premium paying basis, but not less than $25,000; (d) the sum of the following amounts for insurance in force at the end of the year, each $100 of annual income under annuities excluding optional settlements involving life contingencies to be considered as $1,000 of insurance for the purposes of this paragraph: $2.50 for each $1,000 of the first $100 million of insurance; $2 for each $1,000 of the next $100 million of insurance; $1.25 for each $1,000 of the next $300 million of insurance; $1 for each $1,000 of insurance in excess of $500 million.

3. Except as otherwise provided in this article, no company shall incur in any calendar year agency expenses in excess of its agency expense limit.

When Limits May Be Exceeded

4. A company may incur in any calendar year agency expenses in excess of those permitted by subsection three if the total of such expenses and its agency expenses for the two immediately preceding calendar years does not exceed the sum of its agency expense limits for such three years, disregarding adjustments, if any, under section 305; provided that neither its expenses nor its expense limit shall be included for any calendar year before 1952 or for any calendar year in which the company was not authorized to issue policies or annuity contracts in this state during the entire year, in which event the three period shall be reduced by the year or years so excluded.

General Expense Limitations

Section 304—Limitation on general expenses:

1. General expenses shall be all expenses, including agency expenses, except the following: (a) commissions and other compensation for agents, exclusive of those training allowances to new agents paid under subsection ten of section 302; (b) the current annual cost of security benefits for service as an agent and all outlays for security benefits based on services prior to the current year; (c) cost of medical examination and inspection of risks or proposed risks; d) taxes, licenses and fees; (e) other outlays exclusively in connection with real estate; (f) commissions on mortgage loans, or salaries and expenses in lieu thereof; (g) other actual investment expenses, not exceeding three-tenths of 1% of the company's mean invested assets during the calendar year.

2. The general expense limit shall be the sum of the following: (a) $1 for each policy, other than monthly debit policies, and each annuity contract in force at the end of the year on a premium paying basis, plus 50 cents for each $1,000 of monthly debit insurance in force at the end of the year, but in no event less than $25,000; (b) the sum of the following amounts for insurance in force at the end of the year, but not less than $75,000, each $100 of annual income under annuities excluding optional settlements involving life contingencies to be considered as $1,000 of insurance for the purposes of this paragraph; $2.50 for each $1,000 of the first $200 million of insurance; $2.25 for each $1,000 of the next $200 million of insurance; $2 for each $1,000 of the next $200 million of insurance; $1.75 for each $1,000 of the next $200 million of insurance; $1.50 for each $1,000 of the next $200 million of insurance; $1.25 for each $1,000 of the next $9 billion of insurance; $1 for each $1,000 of insurance in excess of $10 billion; (c) $5 for each $1,000 of death claims paid during the year on life insurance policies; (d) $2.50 for each $1,000 of reserve maintained at the end of the year for policy or annuity proceeds that have been left with the company under optional settlements; (e) $15 for each $1,000 of reserve maintained at the end of the year for disability claims which have been incurred; (f) the amount of the agency expense liimt prescribed by subsection two of section 303.

Participating Policies

3. Except as otherwise provided in this article, no company issuing participating policies or participating annuity contracts in this state shall incur in any calendar year general expenses in excess of its general expense limit.

4. A company subject to the provisions of subsection three may incur in any calendar year general expenses in excess of those permitted by subsection three if the total of such expenses and its general expenses for the two immediately preceding calendar years does not exceed the sum of its general expense limits for such three years, disregarding adjustments, if any, under section 305; provided that neither its expenses or its expense limit shall be included for any calendar year before 1952 or for any calendar year in which the company did not isue participating policies or participating annuity contracts in this state during the entire year, in which event the three year period shall be reduced by the year or years so excluded.

When Limits Are Exceeded

Section 305—Procedure when company exceeds agency or general expense limitations:

1. If in any calendar year a company exceeds its limitation on agency expenses prescribed by section 303 or its limitation on general expenses prescribed by section 304, the superintendent, upon written application of such company, may in his discretion either: (a) permit such company to adjust its agency expense limit or its general expense limit or both as prescribed in subsections two or three or (b) suspend the limitation on either agency expenses or general expenses or both as to such

company for such calendar year if he is satisfied that the company has taken steps which will enable it to comply with the limitations of such sections and all other requirements of this article during the next succeeding calendar year; but no such suspension shall be granted to any one company for more than two calendar years in succession.

Adjusted Agency Expense

2. In any calendar year a company's adjusted agency expense limit shall be the amount obtained by multiplying such company's agency expense limit for the current year under section 303 by 100% plus the excess over 75%, if any, of the ratio, expressed as a percentage, obtained by dividing (a) by (b) next following: (a) the aggregate agency expenses for the current year of all companies which shall have issued policies or annuity contracts in this state both in the current year and in the year 1951; (b) the corresponding aggregate agency expense limits for the current year of all companies specified in (a).

3. In the calendar year a company's adjusted general expense limit shall be the amount obtained by multiplying such company's general expense limit under section 304 for the curent year by 100% plus the excess over 75%, if any, of the ratio, expressed as a percentage, obtained by dividing (a) by (b) next following: (a) the aggregate general expenses for the curent year of all companies which shall have issued participating policies or participating anuity contracts in this state both in the current year and in the year 1951; (b) the corresponding aggregate general expense limits for the curent year of all companies specified in (a).

Compensation for Managers

Section 306—Compensation provisions in contracts for service as agency manager:

1. This section shall apply only to contracts for service as an agency manager entered into after Jan. 1, 1952. No amendment may be made after said date to any contract for service as an agency manager entered into before said date which would increase the compensation payable thereunder after termination of the agency manager's service as such above the amounts permitted by this section.

2. No company shall pay for service as an agency manager after termination of such service (1) any compensation on business written after the termination of such service, or (2) any compensation except overriding commissions on policies or annuity contracts issued after the effective date of the agency manager's contract for service and for which provision has been made before termination of such service. With respect to premiums and stipulated payments received after termination of such service, such overriding commissions on first year premiums and first year stipulated payments shall not exceed 5% of such premiums and stipulated payments and all other such overriding commissions shall not exceed in commuted value 2% of the commuted value of the future premiums and stipulated payments for 14 years after the first year of such policies and contracts.

3. The limitations prescribed by subsection two shall not restrict payment of security benefits.

4. Contracts for service as an agency manager shall be terminable by the company either at will or upon reasonable notice.

New U. S. Bond Plan Is Favored

(CONTINUED FROM PAGE 1)

have been inflationary is a moot point since many of them have been needed by industry to finance plant expansion and production to satisfy national defense demands. The source of some of the money used for plant expansion has been government bond sales.

From the investment aspect, there are various problems presented by the new issue. Some companies own none of the issue to be converted. Some own them but aren't selling. Others have been selling them at a rapid rate to satisfy private investment demand. It is that flow which the new issue is intended to curb. Supposedly the large volume of bonds sold to the federal reserve in recent months was an important factor in the introduction of the new issue. Those companies owning 2½%s and holding them would seem to be presenting the Treasury no problem. Companies with that view will likely take to the new issue with enthusiasm.

In addition to these factors, the peg underneath the bond price, means that the federal reserve is required to take the bonds the holders want to sell at the fixed price. This takes control of the supply away from the reserve system and gives it, to that extent, to the holders of the bonds.

Companies converting to the new issue will have greater incentive to hold them. If they provided 3%, a rate for long-term bonds in which several company executives have expressed an interest, there would be even more enhancement to conversion to the new issue and subsequent retention.

Won't Take New Money

There is no apparent reason for the diversion of fresh funds to the new bonds, at least not right away. Until mid-summer the company investment forecast is one of ample demand for and commitments in the corporate securities and mortgage fields at yields better, of course, than 2¾%.

The underlying fiscal problem continues to be federal reserve support of bond prices. If the board would let the price drop, perhaps a little below par, yield would go up, and holders would be discouraged from selling, since they could do so only at a loss.

An observer points out that the new issue will not freeze the 20 billion of these bonds outstanding, as reported, since they will be convertible into notes which can be turned into cash, although perhaps with a penalty. The penalty aspect, as well as the maturity, and terms of the new issue and the notes to which they may be converted, bring up a variety of questions which can't be answered until after March 19.

Supervening Factors

Outweighing the investment problem posed by the new issue, and presenting factors which may shove aside decisions based on pure investment criteria, are the potentially vast fiscal problems presented by a prolonged national defense effort, inflation, and the relations of the business with government, Congress, and the public. These may influence companies to make investment decisions based on facts outside the yield sphere.

Companies declare that the new bond issue is by no means a panacea for inflation. It is but one move, although a constructive one, on the fiscal front, with others still needed. They would also like to see increased federal taxes, reduced government expenses, tightened money and credit controls, and a strong wage-price policy. If nothing else, it was also suggested that this token of accord between Treasury and the federal reserve board is welcome, and that anything tending to show agreement between those two agencies, particularly one inclining to the reserve board's views, will give the nation a healthier fiscal policy.

Quite a few experts feel that the offering of the new 2¾% bonds is the opening move in a plan to raise government bond interest by one-quarter of 1% for all issues, long and short term.

Since the announcement there has been a noticeable softening in the municipal bond market and the preferred stock market, indicative of the effect of government bond rates on the entire securities market.

DR. NADLER'S VIEW

NEW YORK—Dr. Marcus Nadler, finance professor at New York University, told the annual savings and mortgage conference of American Bankers Assn. in New York City that institutional investors, including life companies, must act to insure the success of the new 2¾% Treasury obligations. Otherwise they risk endangering the freedom of the country's financial institutions.

He said such investors show a lack of leadership when they liquidate government bonds to obtain loan funds.

This step is only the first, he suggested. But if not successful, it is likely the Treasury and reserve authorities will suggest to Congress new legislation which will lead to a solution of the present problem but at the expense of financial institutions.

SALES IDEAS OF THE WEEK

Gravengaard Offers Tips on Key Man Sale Motivation

Addressing the sales congress of Life Underwriters Assn. of New York City, H. P. Gravengaard, executive editor of the Diamond Life Bulletins, said that the agent in selling of key man insurance should make it clear to the prospect that his profits are made by men and not by machines. Economists and wise investors alike know that it is the well-managed corporation which makes profits, the National Underwriter Co. vice-president declared. He quoted Thomas H. Carver, Harvard economist, to the effect that "Every investment is, in a rather strict sense, betting on a man." Plants, machinery, equipment and stock are material assets of real value and management has long accepted the practice of insuring against loss from fire, wind, and earthquake. Yet without key men to manage them, material assets are worthless, Mr. Gravengaard declared. He quoted Ernst & Ernst, public accountants, as saying, "During every year there occur many deaths of business executives who could not well be spared. Avoiding the realm of affection and spiritual values, and staying within the realm of things economic, there is no way of avoiding the conclusion that these deaths represented tremendous losses."

H. P. Gravengaard

Allows Avoiding Financial Shock

According to the speaker, the cash provided by insurance on the life of a key man makes it possible to absorb the financial shock of sudden death, carry on the business and avoid the financial chaos of forced sale. It will cover the losses of the readjustment period while the new man is being established and the firm stabilized. Key man insurance proceeds will attract an outside man, if necessary, comparable to the deceased. Cash received from such insurance will retain the good credit standing of the company in question and will retire loans, mortgages, bonds and preferred stocks. Cash from key man insurance will enable the firm to continue its current dividend schedule despite temporary operating losses. Such benefits help the insured corporation to carry out plans for expansion and new development and to protect surviving owner-executives from loss of control to outsiders.

Obligation to Business Men

Mr. Gravengaard emphasized that the life insurance agent has every bit as great an obligation to make sure that the business interests of his policyholders are protected adequately by business insurance as he has to provide them the life insurance protection for their families. He asked, "What good is it to set up a personal life insurance estate if, through neglect of the business problem, a far greater loss ensues at death through shrinkage in the value of business assets?" Not only does the agent have a responsibility to his personal policyholders who own business interests, but he also has a very great obligation to American business and America in general, he said. Every time a sole proprietor or a partner, or a close corporation stockholder, or a really valuable key man dies with no provision having been made for the continuation and preservation of the business, there are two things that happen which are of vital importance to the national stability. Employes lose their jobs, and the assets of the business shrink from 50% to 90%. Mr. Gravengaard indicated that this is just what happens every day and is a very serious matter because it impairs the whole economy and can have a tragic effect on the American way of life.

Polio Assn. Turns Over Statistical Work to Conference

A record crowd of 85 members and guests turned out for the annual meeting of Polio Insurance Assn. at Dallas Feb. 27. Principal action taken was the turning over the association's function as a statistical agency to Health & Accident Underwriter Conference. The move was made to avoid duplication of effort and Polio association will continue as a discussion group.

C. L. Dunlap, president of United American of Dallas, was elected the new president to succeed O. R. Leverett, International Fidelity Life. New vice-president is E. F. Brewer, Republic National Life, and secretary-treasurer is Charles D. Scott, Great American Reserve. New directors elected are Mr. Leverett; J. E. Terry, Life of America, John Penter, Insuromedic Life, and Joe Scott, Oklahoma City.

Principal speaker was George B. Butler, Texas life commissioner, who declared that the A. & H. field "must clean up its own business" so as to keep the federal trade commission from prying into it. He also urged the company men to support the measures recodifying the Texas insurance laws.

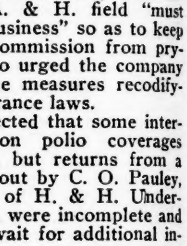
It had been expected that some interesting statistics on polio coverages would be released, but returns from a questionnaire sent out by C. O. Pauley, managing director of H. & H. Underwriters Conference, were incomplete and it was decided to wait for additional information.

A representative of National Foundation for Infantile Paralysis told the association that his organization is interested in the studies and experience of the insurance companies in the polio field, and he mentioned the possibilities of cooperation in research work.

A panel discussion of underwriting and policy benefits was conducted under the direction of C. D. Scott, and G. A. Delahunty, Republic National Life, was in charge of the discussion on claims.

Franklin Life Promotes Three at Home Office

Franklin Life has named Floyd G. Short assistant vice-president in the underwriting department, Ralph Burd chief underwriter, and Henry J. Merriam assistant secretary.



Floyd G. Short

Mr. Short, a graduate of Shurtleff College, joined Franklin in 1928, going on the underwriting committee in 1932. He has served as chief underwriter for 10 years.

M. Burd, since 1945 senior underwriter, joined Franklin in that year after being Ohio State Life and Farm Bureau Life. He is a University of Missouri graduate.

Mr. Merriam, head of the new business department, joined Franklin's actuarial department in 1934 following graduation from Millikin University. He returned to Franklin in 1948 after navy service.

Capitol Life has appointed **Andrew G. Dickinson** manager at Dallas. He has been with Southwestern Life there and at Corpus Christi for some years.

N.Y. Figures for 1950

All figures are for ordinary unless designated (G) for group or (I) for industrial. New business figures include business revived and increased as well as new business paid-for.

	New Business $	In Force $
Aetna Life	28,935,217	329,353,196
(G)	165,944,163	577,046,553
Amalgamated	66,250	193,250
(G)	16,712,250	132,673,250
Bankers, Ia.	4,503,612	52,888,724
(G)	8,001,505	53,721,357
Bankers Security	203,616	153,607
(G)	64,249,465	60,569,829
Berkshire	14,871,329	139,714,670
Canada (U.S.Br.)	2,389,133	36,601,507
(G)	202,500	1,178,000
Church	Not filed	by Mar. 2
Colonial	6,293,045	39,843,711
(I)	2,213,784	26,501,169
Columbian Nat.	13,214,986	79,289,198
(G)	7,266,658	18,248,916
Companion	10,714,603	12,580,041
(G)	152,000	39,000
Confed. (U. S. Br.)	463,139	5,022,494
Conn. General	42,117,471	346,135,731
(G)	116,319,523	321,779,218
Conn. Mutual	33,649,144	354,129,840
Continental Amer.	11,497,361	86,664,725
Cont'l. Assurance	36,975,358	112,861,421
(G)	30,131,900	78,830,544
Credit Life (G)	4,935,442	2,034,467
Eastern Life	3,669,503	37,074,375
(G)	2,964,977	2,851,918
Empire State	4,755,012	23,500,496
(G)	882,000	786,500
(I)	1,681,299	2,386,235
Equitable Society	115,611,643	1,704,059,932
(G)	298,387,848	1,098,646,600
Equitable, Ia.	4,841,910	46,004,390
Expressmen's	Not filed	by Mar. 2
Farm Bureau	13,643,197	35,399,369
(G)	605,900	638,400
Farm. & Trade.	4,025,400	49,333,331
Federal L. & C.	907,575	5,282,308
Fidelity Mutual	8,043,667	82,997,867
Guardian	36,238,874	347,135,667
Home, N. Y.	18,723,094	218,410,584
(G)	2,123,830	6,292,231
Imperial (U.S. Br.)	165,049	3,299,992
John Hancock	181,402,053	1,468,094,974
(G)	37,478,678	256,601,581
(I)	67,101,765	590,015,192
Loyal Protective	240,606	789,900
Manhattan	21,279,897	140,763,030
(G)	133,500	605,500
Mass. Mutual	48,832,877	479,379,656
(G)	12,276,323	32,281,925
Metropolitan	337,548,918	4,352,208,904
(G)	282,258,559	2,154,769,345
(I)	120,516,529	1,497,850.855
Monarch	5,926,624	19,964,370
(G)	114,000	111,000
Mutual Benefit Life	45,730,805	491,951,269
Mutual, N. Y.	40,652,271	713,103,831
Mut., Can. (U.S. Br.)	91,500	2,980,982
Mutual Trust	9,803,174	57,224,764
National, Vt.	17,664,871	180,536,942
New England Mut.	49,873,880	468,988,009
New York Life	129,937,705	1,711,912,413
North Amer. Re.	11,166,000	65,482,800
Northwestern Mut.	40,609,683	712,332,749
Old Republic	1,585,391	1,879,047
(G)	227,300	148,891
Paul Revere	2,525,789	15,544,422
(G)	739,500	1,268,500
Penn Mutual	33,185,107	386,335,449
Phoenix Mutual	21,892,726	218,898,975
Postal Life	8,169,095	24,612,048
(G)	6,500	265,837
Provident Mutual	23,637,283	213,669,556
Prudential	426,245,283	4,053,648,679
(G)	217,704,040	1,069,034,326
(I)	122,415,946	1,457,225,910
Security Mut., N. Y.	27,397,790	146,991,109
(G)	15,864,500	18,102,500
State Mutual	26,758,111	203,211,694
(G)	19,598,572	44,929,281
Teachers	4,910,950	24,772,625
Travelers	68,480,094	1,000,289,865
(G)	192,719,267	1,397,309,079
Union Central	22,965,961	250,418,593
(G)	356,000	3,178,400
Union Labor	936,613	9,716,435
(G)	36,976,673	107,046,142
Union Mutual	6,474,145	62,730,044
(G)	437,500	1,426,500
United Mutual	Not filed	by Mar. 2
U. S. Life	15,380,372	88,436,159
(G)	60,345,250	76,630,250
Victory Mutual	2,763,288	16,615,991
Zurich	2,500	6,500
(G)	1,311,000	2,532,300
Total Ord., '50	2,050,590,550	21,731,422,210
Total Group, '50	1,597,427,123	7,521,578,140
Total Indust., '50	313,929,323	3,573,979,361
All Classes, '50	3,961,946,996	32,826,979,711
Total Ord., '49	1,859,017,492	20,766,950,275
Total Indust., '49	295,785,266	3,557,880,759
Total Group '49	1,837,923,929	6,535,567,114
All Classes, '49	3,992.726,717	30,860.398,149

Campbell to Home Office of Connecticut Mutual

Melvin C. Campbell has been appointed an agency assistant of the home office of Connecticut Mutual. He will aid in the training of new agents and in the development of new sales materials and techniques.

He joined the company in 1949 at Houston and has been a leading producer. He attended Rice Institute and served in the air force.

NLRB Orders Election for Parklabrea Employes

WASHINGTON — National labor relations board approved the report of its trial examiner and directed that an election be held among employes of the Metropolitan Life housing project at Los Angeles to determine whether or not they desire to be represented in collective bargaining by the AFL building trades union. The board overruled the Metropolitan contention that its Parklabrea project was not involved in interstate commerce and that the petition was premature because of expansion in the number of employes from 82 to 200. Maintenance employes, gardeners, and janitors will be affected by the order. The board found the gross income from Parklabrea in 1949 was $1,196,874 and the net income was $499,225.

An NLRB examiner has ordered Atlas Life of Tulsa to bargain collectively with the AFL operating engineers as representative of employes in the home office building who are required to hold city engineers' licenses.

Vote Against Stock Split

Stockholders of Travelers at the annual meeting rejected a non-administration proposal to split shares by reducing the par value. The resolution was introduced by Francis W. Hill, Jr., of the Washington law firm Hill & Crenshaw.

Francis W. Cole, chairman of Travelers, in a review of considerations given a similar resolution offered by Mr. Hill in 1949, revealed that directors had ruled against it at that time. A voice vote indicated that stockholders do not favor such action now.

E. M. Barber, Jr., has been named a unit manager of **Equitable Society** at Charlottesville, Va., D. B. Makepeace and W. A. Miller unit managers at Lincoln, and C. N. Starr at Mansfield, O.

Debit Agent Is Now Key Figure

(CONTINUED FROM PAGE 3)

the recent war the debit agencies were built up to a great extent largely with returned service men and it looked as if the manpower objectives might be reached. In recent months, the companies have suffered from losses of manpower to the armed forces or to defense jobs and the supply of new men they can get as replacements has tightened up considerably. In most instances, debit strength has fallen off in the last six months. This comes at the very time when the possibilities for sales are probably the best they have ever been.

The fact that many a combination agency office is in a suburban area is an attractive feature to many men who like to work in their own suburban neighborhoods rather than to drill into the heart of the city every day. In most of the big towns, the bulk of the ordinary agencies are still concentrated downtown and the industrial offices are now in the outlying areas.

Shy on Managerial Talent

If it is true that the combination companies could use far more salesmen than they have, it is even more true that managerial talent for this booming operation is hard to find. The supply of prewar industrial men with managerial talent has been spread pretty thin. Of course, some of the newer men have reached the managerial stages, but many more of them are doing so well as salesmen they do not want to get into the supervisory field and leadership talent in any field is always hard to find. There is one thing that the strong success of the debit operation is revealing and that is that the average thriving American worker is seldom reached by insurance salesmen, unless it is by debit men. The ordinary life salesmen are inclined naturally to concentrate on the white collar families. In the face of the strong insurance boom among the workers of the nation, if life insurance is to receive anywhere near the distribution that it should receive, it will take the combined efforts of the thinning ranks of combination and ordinary agents to cover the insurance-hungry population. The debit agents welcome participation of the ordinary men in tapping the new market. Some companies with both ordinary and combination operations have been supplementing debit men with ordinary agents in districts where there are too many prospects to go around.

One thing is certain, the debit salesman now holds up his head in any life insurance comparison. For the salesman who may like a maximum of profitable work with few prospecting problems and little time out for coffee, the debit offers the challenge and the opportunity to carry life insurance where it ought to go.

Conn. Gen'l Agency Awards

Connecticut General Life has awarded certificates for outstanding achievement during 1950 to the agencies headed by Frank O. H. Williams, Hartford; Palmer Anderson, Minneapolis; R. Barry Greene, Newark, and Herbert M. Cady, Philadelphia. This is the seventh time for Mr. Williams, the third consecutive year for Mr. Anderson and Mr. Greene and the second time for Mr. Cady.

FRATERNALS

Mrs. Jeanes to Edit Royal Neighbors' Magazine

Mrs. Harriet S. Jeanes, for the last 20 years a member of the editorial staff of the Rock Island Argus, has been appointed editor of the Royal Neighbor Magazine, official monthly publication of Royal Neighbors. She takes over her post March 12.

Harriet Jeanes

Mrs. Jeanes succeeds Mrs. Myrtle E. Schoessel as permanent editor. Mrs. Schoessel retired June 30, 1949, after 21 years as editor and historian. In the interim, Richard E. Jeanes, husband of the new editor, served as editor, with Mrs. Helen Gordon of Rock Island as associate editor. Mr. Jeanes continues as publicity director of the society and publisher of its magazine. Mrs. Jeanes first served as a general news reporter on the Argus, later becoming society editor and most recently was theatre and woman's page editor. She is a graduate of the Northwestern journalism school and is secretary of the Tri-City chapter of the Northwestern University Alumni Assn. She has been a member of Royal Neighbors since 1935.

Modern Woodmen Figures Show Substantial Gains

Modern Woodmen reported a $5,817,956 gain in assets for 1950, bringing the total to $162,549,056. Of this total, $114,385,422, or 70%, is invested in bonds, with the next largest item, $25,558,686 in first mortgage loans, representing 15.7% of the total.

Certificate reserves were $141,148,726. Contingency reserves and unassigned funds aggregated $15,299,975. Interest return for the year was 3.97% as compared to 3.86% for the previous year.

Other items in the report included $13,018,612 paid in benefits for the year, representing $11,646,552 in death claims and $1,372,060 paid in cash to policyholders. Total benefits paid since organization amounted to more than $751,000,000.

Chicago Fraternalists to Meet

Fraternal Underwriters Assn. of Chicago will hold its next meeting April 11 at the Hotel Sherman. The program will feature a discussion on simple programming by the Gierke agency of Aid Assn. for Lutherans. Luncheon will follow.

Indiana Blocks I.W.O. License

Indiana will deny application for renewal of license on March 31 of International Workers Order, the Communist party fraternal insurance society. Deputy Commissioner Pfister said the state license ban will remain in force until disposition of a case pending against the fraternal in the supreme court of New York.

To Tax Ex-Fraternal Premiums

Director Day of Illinois has sent to foreign and alien mutual life insurance companies doing business in the state a memorandum based on an opinion of the Illinois attorney general that companies which have converted from fraternal benefit societies and have outstanding certificates of insurance issued prior to the conversion still in force with premiums being paid, must pay the Illinois privilege tax on such business.

Many of the former fraternals have been using another section in the Illinois law to eliminate themselves from tax on outstanding fraternal business.

More M.D.R.T. Qualifies Are Listed

(CONTINUED FROM PAGE 2)

Leitman, New York Life, Detroit; A. J. Lewallen, Mutual Benefit Life, Miami; H. R. Lindenberger, Ohio National Life, York, Pa.; E. M. Lillis, Northwestern Mutual Life, Erie, Pa.

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Maurice Linder, Travelers, New York City; G. J. Lucas, New York Life, Sioux Falls; H. Y. F. Lung, United Benefit Life, Honolulu; J. H. McCaffrey, Southwestern Life, Dallas; John L. McCann, Jefferson Standard Life, Charlotte; W. H. McCoy, New England Mutual Life, Detroit; Tom McCreary, New York Life, San Francisco; T. B. McGlinn, Mutual Benefit Life, Miami; W. F. McMartin, Northwestern Mutual Life, New York City; David Marx, Jr., Mass. Mutual Life, Atlanta; C. S. Miller, Lincoln National Life, Tyner, Ind.; E. H. Miller, New York Life, Chicago; J. D. Mingay, Prudential, Toronto; L. P. Mirsky, New England Mutual Life, New York City; J. R. Montgomery, Phoenix Mutual Life, Philadelphia; Leonard Mordecai, Northwestern Mutual Life, Boston; E. C. Moore, New York Life, Wichita; A. S. Morgenstern, Independent, Seattle; M. C. Muller, Phoenix Mutual Life, New York City; M. B. Norman, Jefferson Standard Life, Portland, O.; G. D. Orput, New England Mutual Life, Portland, O.; A. M. Palmer, Mass. Mutual Life, Miami; G. E. Parris, Bankers National Life, Philadelphia; H. S. Parsons, Travelers, Los Angeles; Milton Perlman, Home Life, Chicago; J. H. Peters, Manufacturers Life, Toronto; J. J. Polachek, New England Mutual Life, Pittsburgh; G. L. Post, Independent, New York City; J. H. Prentiss, Jr., New England Mutual Life, Chicago; E. T. Proctor, Northwestern Mutual Life, Nashville; C. I. Quilling, New York Life, Dayton; Eugene Rappaport, Pacific Mutual Life, Chicago; H. L. Regenstein, Mass. Mutual Life, New York City; C. D. Richardson, New England Mutual Life, Memphis; C. R. Robb, Northwestern Mutual Life, Chicago.

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H. M. Roberts, Southwestern Life, Dallas; K. V. Robinson, New England Mutual Life, Waterbury, Conn.; W. C. Ross, Guardian Life, Milwaukee; W. F. Scarborough, New England Mutual Life, Ridley Park, Pa.; H. J. Schwahn, Northwestern Mutual Life, Milwaukee; L. P. Schwinger, Northwestern Mutual Life, Waterloo, Ia.; B. H. Sekt, New York Life, Sioux City; G. S. Severance, Ohio National Life, Chicago; J. W. Shoul, Mutual Life, Boston; R. D. Simon, Penn Mutual Life, Chicago; Adon N. Smith, II, Northwestern Mutual Life, Charlotte; Alden H. Smith, Northwestern Mutual Life, Nashville; K. S. Smith, Franklin Life, Springfield, Ill.; F. F. Stafford, State Mutual Life, New York City; A. D. Stewart, London Life, Ottawa, Canada; G. W. Stewart, Penn Mutual Life, Pittsburgh; R. E. Stringer, State Mutual Life, Detroit; S. R. Swenson, Provident Mutual Life, New York City; T. W. Tuttle, Northwestern Mutual Life, Milwaukee; J. M. Utter, Equitable Life of Iowa, Seattle; K. L. Van Leuven, New York Life, Spokane; Jack Wardlaw, Provident Mutual Life, Raleigh; Norman Warren, New York Life, New York City; David Warshawsky, Reliance Life, Cleveland; G. F. Weber, Connecticut General, Los Angeles; Sidney Weil, Mutual Benefit Life, Cincinnati; C. H. Weiss, New England Mutual Life, New York City; Jerry Wertheimer, United Fidelity Life, Dallas; H. E. Wirsing, Equitable Society, New York City; H. K. Wolkoff, Northwestern National Life, St. Paul; S. B. Campion Wood, Travelers, Philadelphia; H. A. Zischke, Union Central Life, Chicago.

Life Members

R. P. Bagley, Northwestern Mutual Life, Buffalo; J. S. Barovich, Western Life of Montana, Miles City, Mont.; A. F. Breher, Northwestern Mutual Life, St. Paul; R. H. S. Brilliande, Financial Security Life, Honolulu; L. H. Bunting, Equitable Society, New York City; N. H. Burgheim, Northwestern Mutual Life, St. Louis; W. G. Carver, Southwestern Life, San Antonio; E. S. Churchill, Northwestern Mutual Life, Hartford; H. I. Davis, Mass. Mutual Life, Atlanta; R. B. Dinsmore, Provident Mutual Life, Princeton, N. J.; H. K. Dougherty, New York Life, Anchorage, Alaska; A. C. Duckett, Northwestern Mutual Life, Los Angeles; E. Y. Duncanson, Connecticut General Life, New York City; H. G. Feldman, Aetna Life, Pittsburgh; R. H. Goodwin, Northern Life, Seattle; J. R. Guy, Northwestern Mutual Life, New York City; Paul Heymann, New York Life, Providence; J. F. Holmes, Northwestern Mutual Life, Indianapolis; W. B. Johnson, American National, Springfield, Mo.; Samuel Kahl, Penn Mutual Life, Chicago; M. N. Kaplan, Prudential, Atlanta; M. G. Kletz, John Hancock, New York City; A. H. Kollenberg, Mutual Benefit Life, Grand Rapids; John Krehbiel, Aetna Life, Los Angeles; L. P. Kraus, New York Life, Baltimore.

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T. A. Lauer, Northwestern Mutual, Joliet, Ill.; F. A. McMaster, Prudential, Los Angeles; H. M. Meese, Travelers, Davenport, Ia.; G. E. Morrison, Northwestern Mutual, Indianapolis; G. A. Novell, Prudential, Los Angeles; N. G. Patrick, Mass. Mutual Life, Omaha; R. S. Peters, Jefferson Standard, Denver; Roderick Pirnie, Mass. Mutual Life, Providence; D. C. Poling, Prudential, Louisville; M. R. Polland, Security Mutual Life, Milwaukee; L. T. Prettyman, Northwestern Mutual, Muskegon, Mich.; C. E. Purdy, Independent, Minneapolis; J. F. Ramsey, Conn. Mutual, Chicago; E. B. Redfield, Jr., Northwestern Mutual, Boston; J. H. Reese, Penn. Mutual Life, Philadelphia; Hyman Rogal, Reliance Life, Pittsburgh; J. R. Routsong, New York Life, Los Angeles; W. S. Shafto, Mutual Life, Monroe, La.; L. K. Sims, New York Life, Los Angeles; Jimmie Smith, Jr., Mass. Mutual Life, Los Angeles; S. F. Smith, Connecticut General, Farmington, Conn.; Daniel Spooner, Mutual Benefit Life, New York; D. A. Stern, Independent, New York; H. J. Stoltz, Northwestern Mutual Life, Bloomington, Ill.; J. E. B. Sweeney, Equitable Society, Charleston, W. Va.; M. G. Tuttle, Lincoln National Life, Miami; H. B. Veazey, Indianapolis Life, San Antonio; Roe Walker, Northwestern Mutual Life, Milwaukee; R. E. Whitmoyer, Phoenix Mutual Life, Detroit.

NSLI Vet Could Pick Up But Doesn't Is Worst Evil

(CONTINUED FROM PAGE 3)

males as they reach age 18 and if NSLI is continued it would make the government the largest insurer of the adult male population in a few years.

While it is the responsibility of the government to insure all service personnel exposed to service hazards, it is not the responsibility or the function of the government to insure the civilian population, he emphasized.

Petillon Offers New Service for North American L. & C.

Charles E. Petillon has resigned as general agent for Berkshire Life at Minneapolis to go with North American Life & Casualty as special home office representative. He will head a new company activity providing specialized service for estate analysis and employe benefit plans.

C. E. Petillon

Mr. Petillon started in the business in 1923 at Gary, Ind. He was life manager for the W. A. Alexander Co. general insurance agency at Chicago and became general agent for Berkshire Life in 1932. He is past president of both the agents' and managers' associations at Minneapolis and of the Berkshire General Agents' Assn. and is national committeeman for the local agents' association.

Ashley Heads "Big Ten"

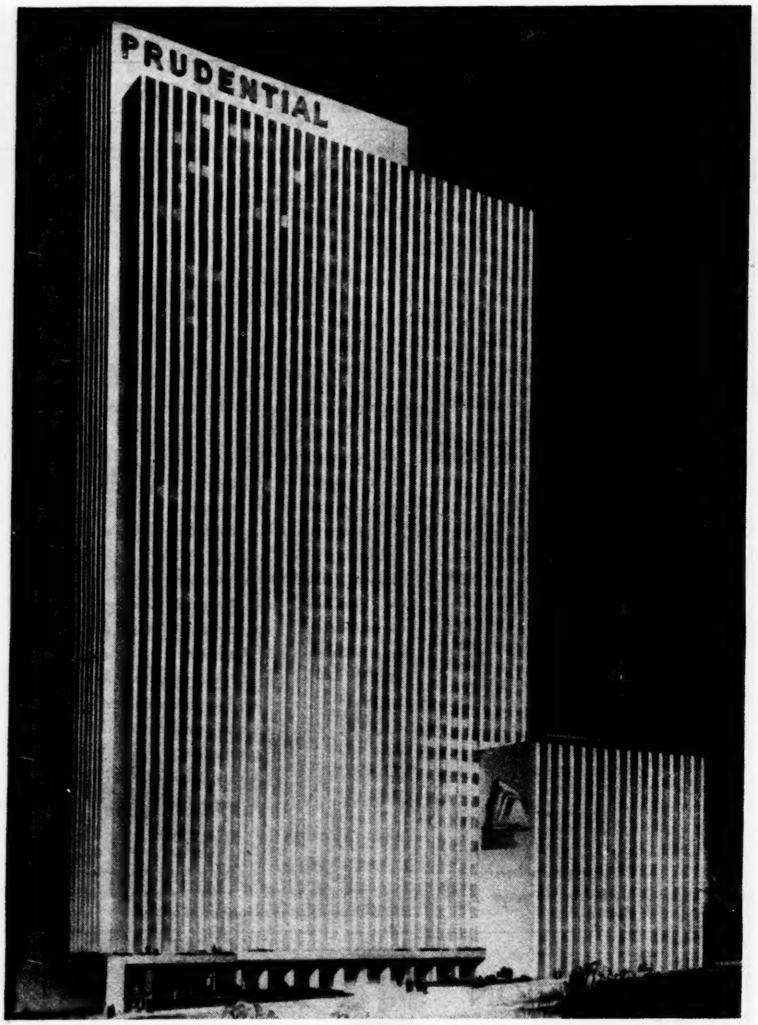
David W. Ashley, Fort Worth, Tex., is the leader for 1950 of Northwestern National Life's "Big Ten," composed of the 10 field men with the most outstanding records in terms of volume, premiums, persistency and net gain in insurance.

Other members in order of their ranking are H. K. Wolkoff, St. Paul; R. J. Conant and Malcolm Pech, both of Houston; H. A. Seeler, St. Paul; H. W. Grosse, Houston; C. S. Galiher, Iowa City; J. K. Rickard, Hutchinson, Kans.; Cape DeWitt, Houston, and Charles Staiger, Laurel, Mont.

To Hold P. R. Study Series

The New School for Social Research at New York City April 23 will begin a five-week series on "Public Relations in Life Insurance" with Solomon Huber, general agent of Mutual Benefit Life, as chairman. Speakers will include Holgar Johnson, president Institute of Life Insurance; H. G. Kenagy, vice-president Mutual Benefit Life, and Mildred Stone, director policy-owner service bureau, Mutual Benefit Life.

To Be Built by Prudential in Chicago



Architect's drawing of Prudential's modern midwestern headquarters to be erected above the Randolph street station of the Illinois Central railroad and the Michigan Central tracks between Michigan avenue and the lake. It will be 35 stories high and will be staffed by some 3,000 employes to handle operations in nine midwestern states. There will be considerable space for tenants, as well.

Jordan Gets Top Mass. Mutual Award

Earl C. Jordan, general agent at Chicago, holding the Perry achievement award plaque, which he received at the recent Massachusetts Mutual general agents' convention in Chicago for the best all-round agency building job in 1950. At Mr. Jordan's left is President Leland J. Kalmbach. Others in the picture, from left, are the general agents of three of the four runner-up agencies: Harry I. Davis, Atlanta; Corydon K. Litchard and Lovell H. Cook of Springfield, Mass.; and Donald C. Keane, New York City. Lawrence E. Simon, New York City, was absent when the picture was taken.

Rust Cincinnati Speaker

Problems encountered in underwriting alcoholics were discussed by Richard S. Rust, vice-president and secretary Union Central, in a talk before Cincinnati C.L.U. chapter. It is more likely that a home office remote from the community would be less alert in accepting a bad alcoholic risk than a local home office because local home office underwriting officials are likely to know from first hand experience who the alcoholics are, he said humorously.

Root Heads Spokane CLUs

The Spokane C.L.U. chapter has elected Robert Root, Mutual Life, as president, Nyal Grady, New York Life, vice-president, and Lyle H. Funnell, Mutual Life, as secretary-treasurer.

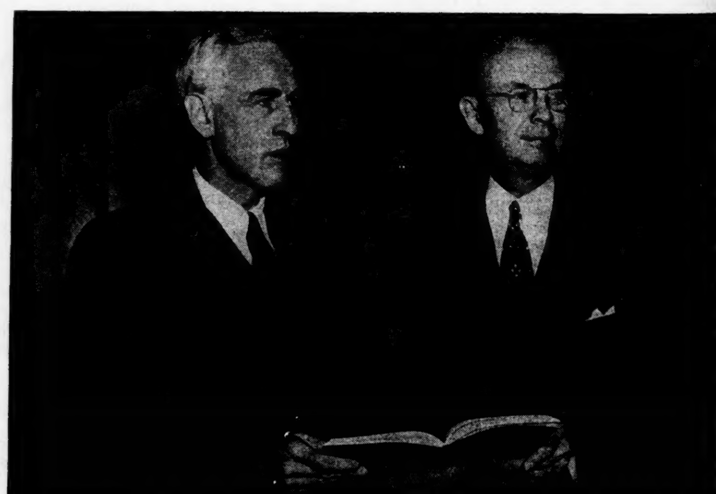
Occidental Officials at Hawaii Ceremony

President L. T. Kagawa of Security Insurance Agency, Honolulu, which represents Occidental Life, receives congratulations from company and territorial officials on opening of the agency's new building. Left to right: William D. Brown, insurance commissioner and territorial treasurer; Verne H. Jenkins, vice-chairman of Occidental Life; Mr. Kagawa; Oren E. Long, acting governor of Hawaii; Horace W. Brower, president Occidental Life; James Alsup, collector of internal revenue of Hawaii.

Ray Wright Gets Man-of-the-Year Award

Ray T. Wright, second from right, of Lawrence, Kan., receives from E. Roy Hofmann, associate manager of agencies, a plaque symbolizing his selection as Provident Mutual's man of the year for 1950. Others in the picture are Mrs. Wright and General Agent S. P. Quarles of Kansas City, of whose agency Mr. Wright is a member. Mr. and Mrs. Wright were honored at a reception, at which guests also included members of the agency and their wives and the office staff and friends and clients of Mr. Wright. It is the third time that Mr. Wright has won the honor.

Announce $725,000 in Medical Awards



Dr. C. N. H. Long, dean of the Yale school of medicine and M. Albert Linton, president of Provident Mutual Life at the annual meeting of the Life Insurance Medical Research Fund. The fund is giving more than $725,000 in 1951 to study heart disease which raises its total since late in 1945 to nearly $4 million. Dr. Long is retiring chairman of the fund's advisory council and Mr. Linton is chairman of the fund's board of directors.